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Japan

G-7 'Likely' To Regulate Exports to Iraq, Others

OW1811094692 Tokyo KYODO in English 0920 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—The Group of Seven (G-7) advanced nations are likely to agree this week to regulate exports of goods used for weapons production to seven countries, including Iraq, Libya, and North Korea, government sources reported Wednesday.

The sources said the final adjustment of the agreement will be made at a working-level session to be held by the group Friday in Bonn, Germany.

The agreement stems from a decision by the G-7's summit held in Munich, Germany, in July to control exports to nations involved in regional conflicts, they said.

The sources said the seven member countries have agreed to regulate exports to Iraq and Libya under United Nations economic sanctions and North Korea, which is suspected of developing nuclear weapons.

The United States is also seeking the regulations for Iran, Syria, and Serbia, a republic in Yugoslavia rocked by internal strife.

Japan and France aim to limit the scope of regulations as much as possible, the sources said.

At the Bonn meeting, the representatives will try to work out a list of five to seven nations to be covered under the regulation of exports, they said.

They said products subject to export controls will number about 100 items, including machine tools, electronics equipment, and laser devices.

Japan will start work to revise domestic laws and ordinances concerned immediately after an agreement is reached, the sources said.

Saito Regrets 'Little Progress' in Steel Accord

OW1811132692 Tokyo KYODO in English 1108 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—The leader of Japan's steel industry indicated Wednesday he will work with the United States for an early conclusion of a multilateral agreement governing global steel trade.

Hiroshi Saito, chairman of the Japan Iron and Steel Federation, expressed regret little progress has so far been made in negotiations for the agreement.

"We have to speak out to the new administration (of President-elect Bill Clinton). It is too late for us to wait for them (the U.S.) to take action," he told a news conference.

Saito said the Federation of Economic Organizations (Keidanren) is considering sending a mission to the United States around next February to discuss pending economic issues with officials of the Clinton administration.

Kato Welcomes Yeltsin's Official Visit to Seoul

OW1811084792 Tokyo KYODO in English 0836 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Japan welcomed Russian President Boris Yeltsin's official visit to Seoul on Wednesday as beneficial to stability in East Asia.

"It is desirable for the stability of East Asia that the leaders of Russia and South Korea, which for many years have lacked communication, come together to talk," Chief Cabinet Secretary Koichi Kato said shortly after Yeltsin arrived in South Korea on a three-day visit.

"I am praying for the success of the talks," Kato told a regularly scheduled news conference.

Kato said he also expects the visit to contribute to greater stability on the Korean peninsula.

The top government spokesman said he had not been informed in advance of an agreement on military cooperation between the two countries which news reports say will be signed during the visit.

Moscow is a long-time close ally of Pyongyang, which enjoyed the then Soviet Union's backing during the 1950-53 Korean war that left the peninsula divided.

Former Soviet President Mikhail Gorbachev established diplomatic relations with South Korea in September 1990.

Yeltsin's visit to South Korea is his first Asian destination since the Soviet Union disintegrated almost a year ago.

Tokyo has responded cautiously to the warming ties since Yeltsin snubbed Tokyo by canceling a visit to Japan and South Korea in September, and then rescheduling only the South Korea leg.

A senior government official noted recently that South Korean No Tae-u's one-day visit to Japan a week ago was an important signal that Seoul-Tokyo ties are closer than those between South Korea and Russia.

The Russian president abruptly dropped the visit to Japan due to his dissatisfaction with Japan's approach to a long-standing territorial dispute over islands off of Hokkaido.

It has not been rescheduled.

DPRK Doctors Plan Study at Japanese Hospital

OW1811092492 Tokyo KYODO in English 0906 GMT 18 Nov 92

[Text] Hiroshima, Nov. 18 KYODO—Four North Korean medical personnel will be instructed on cancer treatment at a hospital in Hiroshima from later this month, the head of the hospital said Wednesday.

Kenji Kajikawa, director of Kajikawa hospital, said three doctors will undertake the studies at the hospital and Hiroshima University medical hospital during a 12-day stay from November 24.

It is the first official visit to Japan by a North Korean medical team, officials said.

The North Korean Academy of Medical Science asked Kajikawa to provide instructions on Japan's high-level medical treatment to North Korean doctors when he visited there in September 1991 and May, he said.

Among the doctors coming to Japan is Kim Chun-won, 53, chief of the academy's tumor research center. Two of the other personnel also belong to the academy and the fourth is a member of the State Scientific and Technological Commission.

Kajikawa said the medical system in North Korea is far behind Japan and he wants the visit to be a step toward introducing more long-term study for young North Korean doctors.

DPRK Iron Ore Imported for 1st Time in 17 Years

OW1811093892 Tokyo KYODO in English 0838 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—A Japanese trading firm imported 14,000 tons of iron ore from North Korea in September for the first time in 17 years, industry sources said on Wednesday.

The spot deal, costing 37 million yen, was made by Tokyo-based Meiwa Trading Co., affiliated with Mitsubishi Corp., according to the sources.

Japanese imports of iron ore have been suspended since 1975, because of strong domestic demand in North Korea, along with active exports to China and the former Soviet Union.

Japan had imported 500,000 tons of North Korean iron ore every year since a medium-sized trading house first bought 300,000 tons in 1964.

The imported iron ore, or magnetite, produced at Musan, the biggest iron and coal mine in the communist nation, was resold to Sumitomo Metal Industries Ltd., they said.

A Sumitomo Metal official said, "North Korean magnetite was bought as a trial, since it is less expensive and has a reputation for its high thermal efficiency."

Bilateral trade between Japan and North Korea remains at a low level of around 500 million yen a year. The two countries have no formal diplomatic relations.

UNTAC Requests Airlift of Personnel in Cambodia

OW1811044492 Tokyo KYODO in English 0431 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—The United Nations peacekeeping mission in Cambodia has sounded out Japan on the possibility of using Japanese military aircraft to airlift personnel between Thailand and the war-torn country, Foreign Ministry sources said Wednesday.

An official of the U.N. Transitional Authority in Cambodia (UNTAC) spoke with Japanese officials in Phnom Penh about a month ago to ask if Japanese C-130 hercules transport aircraft could be used to move U.N. peacekeepers between Thailand and Cambodia, the sources said.

Japan flies the Self-Defense Forces (SDF) planes from Bangkok to Phnom Penh once a week to transport necessary supplies for its engineering troops personnel working on the U.N. mission.

The government is planning to await a formal request from UNTAC and possibly will respond to it by altering Japan's peacekeeping program in the country, the sources said.

If Japan complies with the UNTAC request, it will be obliged to modify its peacekeeping program, which involves transportation work in the Philippines, Thailand, and Singapore for the sake of Japanese peacekeepers.

The program change would require a cabinet decision and ensuing report to the Diet.

In a related move, the Philippine Government has also sounded out Japan on whether Tokyo can airlift supplies from the Philippines to Cambodia on SDF planes.

Chea Sim: Khmer Rouge Endangers Cambodian Polls

OW1811113792 Tokyo KYODO in English 1128 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Cambodian National Assembly Chairman Chea Sim told Japanese opposition leaders Wednesday the Khmer Rouge guerrilla group's refusal to demobilize and disarm its forces could endanger his country's first free general elections next May.

"The question if we will be able to hold elections or not, if we can realize the peace process and disarmament, currently is the biggest problem—the realities are difficult," he was quoted as saying to Koshiro Ishida, leader of Komeito.

Chea Sim told Ishida the Khmer Rouge must be contained before the elections, Komeito officials said.

He further expressed "the appreciation and gratitude of the Cambodian people and its government" for Japan's support of the peace process by dispatching troops of its Self-Defense Forces for U.N. peacekeeping operations.

In another meeting with Makoto Tanabe, head of the Social Democratic Party, Chea Sim suggested exchanges between their political parties.

Tanabe agreed and said he would send a party official to Cambodia after the elections to work out concrete projects on the exchanges between the parties.

Chea Sim, who is also leader of Cambodia's Democratic Party, arrived in Japan last Saturday for a six-day unofficial visit and met with Foreign Minister Michio Watanabe on Monday.

Germany Calls Import Incentive System Unfair

OW1811133092 Tokyo KYODO in English 1211 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Germany has complained the Japanese tax incentive system for imports of manufactured goods is unfair for foreign companies operating here, and urged a revised system, government sources said Wednesday.

The sources at the Ministry of International Trade and Industry (MITI) said the issue is likely be taken up by German Minister of Economics Juergen Moellemann, when he meets his Japanese counterpart Kozo Watanabe in Tokyo on Thursday.

Under the Japanese system, domestic manufacturers importing finished goods receive a tax deduction equivalent to 5 percent of the growth in their manufactured imports.

Domestic retailers are allowed to set aside 20 percent of the total increase in the import value of foreign goods as reserves for future imports.

According to the sources, Germany said the tax deduction has helped Japanese companies when they "import" finished goods from overseas subsidiaries, but is not applied to foreign firms' Japanese units that receive finished goods from their parent companies. Foreign companies' units may only receive the 20 percent reserve treatment.

Similar complaints have also been heard, for example, from U.S. automakers, the sources said.

Watanabe will inform Moellemann that the ministry plans to consider Japanese units of foreign companies as Japanese manufacturers and apply the same treatment with domestic firms, the sources said.

Visiting French Minister on Nuclear Program

OW1811094092 Tokyo KYODO in English 0902 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—France will give up its fast-breeder nuclear reactor program when it resumes operation of the remodeled super Phoenix Nuclear Reactor, French Space Research Minister Hubert Curien said here Wednesday.

Fast-breeder reactors use reprocessed plutonium as fuel but produce more plutonium than they consume.

The visiting French minister said at a press breakfast that France will resume operation of super Phoenix but drop its key function of breeding plutonium.

Operation of the French fast-breeder reactor was suspended in July 1990 after a spate of accidents.

Curien's remarks mean France will give the reactor a new identity, enabling it to burn die-hard transuranium elements along with plutonium.

Transuranium elements such as americium and neptunium are found in spent nuclear fuel and remain intact for a long period as radioactive materials.

Currently, they are disposed of as high-level waste deep below the ground.

If France abandons its fast-breeder reactor operation, Japan will be the only country in the world promoting such a nuclear energy program with its prototype fast-breeder reactor Monju.

The first Japanese plutonium-producing reactor was completed in Tsuruga in Fukui Prefecture on the Sea of Japan in May 1991 and has since been undergoing trial operations.

Chile Supports Tokyo's Permanent Seat at UNSC

OW1811131492 Tokyo KYODO in English 1301 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Chile's President Patricio Aylwin told Japanese Prime Minister Kiichi Miyazawa on Wednesday that Chile supports a permanent seat for Japan on the United Nations Security Council.

In a meeting with Miyazawa at the Akasaka State Guesthouse, Aylwin requested Japan's support for Chile's membership in the Asia-Pacific Economic Cooperation (APEC) forum, a 15-member consultative group with its secretariat to be situated in Singapore, Japanese Foreign Ministry officials said.

Miyazawa replied that Japan would consult with other countries on the issues of expanding APEC membership, the officials said.

Aylwin expressed Chile's desire to play an active role as a member of the Asia-Pacific region.

Miyazawa lauded Chile's progress in implementing economic and political reforms, noting Chile is one of a few countries with which Japan maintains a trade deficit.

Officials said Foreign Minister Michio Watanabe, who also attended the talks, asked for assurances that the North American Free Trade Agreement (NAFTA) formed by the United States, Canada and Mexico, not become a protectionist trade bloc. Chile, which already has a free trade pact with Mexico, is reported to be the next country in line to join the grouping.

Chilean Foreign Minister Enrique Silva Cimma replied that Chile is determined to see that free and open trade between countries prevails.

Finance Minister Alejandro Foxley warned, however, that NAFTA could indeed be transformed into a protectionist trade bloc if the Uruguay Round of multilateral trade talks collapses.

Aylwin, 73, an elected civilian who succeeded military strongman Augusto Pinochet as president in March 1990, arrived in Japan on Tuesday for a five-day official visit, the first ever by a top Chilean leader.

Officials said Aylwin made no mention in his talks with Miyazawa about Chile's objection to passage through its territorial waters of a Japanese ship transporting a ton of plutonium to Japan from France.

Aylwin had earlier expressed concern about the undisclosed route to be taken by the 4,800-ton Akatsuki Maru, saying it poses an environmental danger to his country in the event it were to have an accident while sailing round Cape Horn, the southern tip of South America, to the Pacific Ocean.

He told reporters in Malaysia last Thursday he had discussed the issue with Malaysian Prime Minister Mahathir Mohamed and noted that Chile and Argentina have jointly expressed opposition to the ship entering their territorial waters.

Diet Still Stalled Over Sagawa Kyubin Testimony

OW1811075092 Tokyo KYODO in English 0726 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Diet business remained deadlocked Wednesday over demands by opposition parties for key figures in the Tokyo Sagawa Kyubin scandal to appear before the legislature to answer questions.

The ruling Liberal Democratic Party (LDP) proposed Wednesday morning that its secretary general, Tamisuke Watanuki, meet separately with his counterparts in three opposition parties—the Social Democratic Party (SDP), Komeito, and the Democratic Socialist Party (DSP).

But the opposition parties rejected the idea, arguing that further discussions are necessary among directors of the House of Representatives Budget Committee.

The three parties have demanded that 10 people be summoned to the Diet as sworn witnesses on the scandal.

They are particularly insistent that former LDP Vice President Shin Kanemaru, former Prime Minister Noboru Takeshita, and three other senior LDP figures be called.

Kanemaru was admitted to hospital Monday for eye operations, and the LDP hinted that Watanuki might make a new proposal about him being questioned at his hospital bedside.

The SDP spurned the offer. The chairman of its Diet Affairs Committee, Tomiichi Murayama, told reporters, "It is meaningless to hold such a meeting without knowing what will be discussed."

The DSP suggested that if the demand was met, a special panel could be set up to handle the questioning of Kanemaru, Takeshita, and the former president of the now-defunct trucking company, Hiroyasu Watanabe, who is on trial for aggravated breach of trust in connection with loans and loan guarantees made to other companies and individuals.

The dispute is preventing the convening of the budget committee, which is responsible for passing a proposed supplementary budget for fiscal 1992, which ends next March 31.

If a meeting of secretaries general goes ahead later in the day, however, the possibility of questioning Kanemaru in hospital is expected to be a focal issue.

Kanemaru underwent surgery for glaucoma in his right eye Tuesday amid strong criticism by opposition parties that his sudden hospitalization was an attempt to avoid questioning.

He is also to have surgery on his left eye and will be in hospital for two to three weeks, according to doctors at Odawara Municipal Hospital where he is being treated.

Opposition party sources said they suggested questioning Kanemaru at his bedside as a compromise to break the impasse.

Kanemaru resigned from the House of Representatives in mid-October after admitting that he received an illegal political donation of 500 million yen from Watanabe in 1990.

He is also alleged to have used Watanabe as an intermediary to ask Susumu Ishii, the late leader of major crime syndicate Inagawa-kai, to help stop a rightist group's harassment of Takeshita when he was running for the LDP presidency in 1987. Takeshita won the post and thus became prime minister.

Hata Plans LDP Faction After Budget Passage

OW1811095892 Tokyo KYODO in English 0935 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Finance Minister Tsutomu Hata and his supporters plan to form a new faction within the ruling Liberal Democratic Party (LDP) after the passage of a supplementary budget through the Diet, informed sources said Wednesday.

The Hata group will hold a study meeting on Thursday to discuss the new faction, the sources said.

The campaign to form a new faction has been led by former LDP Secretary General Ichiro Ozawa who, along with former LDP Vice President Shin Kanemaru, headed the Takeshita faction, the largest in the ruling party, until Kanemaru's downfall last month.

Hata is regarded as the nominal head of the new splinter group.

Opponents of the Hata group within the 109-member Takeshita faction chose Keizo Obuchi, another former LDP secretary general, as the faction's new leader on October 23.

The Hata faction will include at least 35 LDP members of the House of Representatives, who belong to a policy group formed earlier by Hata, and about 10 LDP members of the House of Councillors.

The new faction is hoping to have some say in the coming cabinet reshuffle expected to take place after the Diet session, the sources said.

A senior LDP member of the Miyazawa faction said Tuesday the shake-up of the cabinet and the party leadership will take place immediately after the end of the current Diet session, which is expected to end December 8.

Diet business has remained deadlocked, however, over demands by opposition parties for key figures in the Tokyo Sagawa Kyubin scandal to appear before the legislature to answer questions.

Kanemaru, who is implicated in the scandal and wanted by the opposition as a sworn witness in the Diet, was hospitalized on Monday for eye surgery.

The sources said Ozawa, in forming the new faction, would take the situation in the Diet into consideration and possibly delay an official announcement of the faction's inauguration.

Ozawa is also preparing a new faction policy, which focuses on political reform including election systems, administrative reform aimed at dispersing government functions, and the creation of new forces to cooperate with the United Nations, the sources said.

BOJ Said Not Considering Discount Rate Change

OW1811073292 Tokyo KYODO in English 0700 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno said Wednesday the central bank has no plans at present to revise the official discount rate.

Mieno told a news conference the bank is continuing to closely follow economic factors, both the strengths and weaknesses of the domestic economy.

He expressed concern over sluggish capital investment, citing generally poor corporate business performances in the first half of fiscal 1992 as the main negative factor.

Mieno Voices Concern Over Budget Approval Delay

OW1811083192 Tokyo KYODO in English 0815 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno voiced concern Wednesday about a delay in Diet approval of the fiscal 1992 supplementary budget, which he says could further dampen the stock market and business confidence.

But he denied that any help will come from the monetary sector to put the economy on a recovery track.

Mieno told a press conference the psychological effect of a major delay in Diet passage of the extra budget on the stock market and business confidence cannot be ignored.

"We really hope that the Diet discussion on the budget will start as soon as possible," he said.

The House of Representatives' budget committee is yet to begin discussing the supplementary budget because of political turmoil over a scandal involving senior officials of the ruling Liberal Democratic Party and the underworld.

Mieno, however, clearly said he is not considering a cut in the official discount rate, although he admitted the economy is still in the middle of an adjustment phase.

Asked about the money market, Mieno said the central bank will continue efforts to help create "a proper market trend," but refused to comment on how he views the current level of market rates.

Mieno, however, said short-term interest rates, especially the rate on the newly-issued three-month certificates of deposit (CDs), are lower than they were when the official discount rate was at a historic low of 2.5 percent a few years ago.

The BOJ chief said the decline in corporate profits, as demonstrated in the recent midterm business reports, is putting downward pressure on capital investments.

But he said he sees no serious possibility the sluggish business conditions could lead to widespread, major job reductions.

In saying so, Mieno noted the general trend toward shorter working hours and the long-term prospect of the shortage of young workers due to Japan's dwindling birthrate.

However, he stressed the housing recovery and increased public works spending are generating updrafts for the economy.

The central bank will keep tabs on the accumulative effects of monetary easing since July 1991, and how the government's 10.7 trillion fiscal stimulus package announced in late August is producing results, he said.

"We will keep a close eye on the changes in the economic conditions, assessing both good and bad factors carefully."

Mieno lent support to a recently announced scheme to help Japanese banks write off their real estate-backed bad loans.

But he said the scheme is "only one of the measures" to dispose of bad loans, and emphasized the importance of banks' own efforts to collect the loans and the restructuring efforts of nonbanking institutions unable to pay back the loans.

He said neither the BOJ nor the government are considering favorable loans to help bail out the financial institutions facing management crises.

Yen Amount Set for FY 1993 Investment, Loans

OW1811084592 Tokyo KYODO in English 0732 GMT 18 Nov 92

[Text] Tokyo, Nov. 18 KYODO—The government will set total appropriations under the fiscal 1993 investment and loans program at slightly above 45 trillion yen, up 10 percent from the fiscal 1992 program, Finance Ministry officials said Wednesday.

This will be the second consecutive double-digit increase in the size of the program, the officials said.

They said the government intends to make full use of the program for active public works spending and housing construction since little growth is expected in the fiscal 1993 general-account budget because of tax revenue shortfalls.

The government also plans to increase appropriations for government-backed loans to smaller industries to make up for a slow growth expected in commercial bank loans to such industries, the officials said.

The fiscal investment and loans program, known as "the second budget," uses postal savings and public pension funds for housing, highway, and other construction projects.

Government ministries and agencies had sought total appropriations of 48.56 trillion yen for the fiscal 1993 program, up 19 percent from the previous year.

North Korea

Youth Group Denounces Alleged Murder by GI

SK1811000992 Pyongyang KCNA in English 2156 GMT 17 Nov 92

[Text] Pyongyang November 17 (KCNA)—The North side's headquarters of the Pan-National Federation of Youth and Students for the Country's Reunification (Pomchonghaknyon) vehemently denounces in the name of all the youth and students in the northern half of the country the brutal murder committed by U.S. imperialist cutthroats and the despicable flunkeyist treachery of the South Korean authorities as an intolerable act of violation against the dignity of our nation and human conscience.

A spokesman for the headquarters said this in a statement issued to the press today denouncing the recent murder of Yun Kum-hui, a South Korean woman, by a U.S. imperialist aggression army soldier recently in South Korea.

Now the South Korean students and other strata of people are strongly urging an open apology of the U.S. second divisional commander, measures against violence by the U.S. Army and U.S. troop pullout after forming a committee for measures on the murder case of Yun Kum-hui, he said, and went on:

Regarding the struggle of South Korean students and people for independence, democracy and reunification as a righteous struggle for defending the dignity of the nation, we fully support it and, at the same time, earnestly call upon them to develop it for the present into a struggle for a halt to the resumption of the "Team Spirit" joint military exercises and, furthermore, for the total withdrawal of the U.S. imperialist aggression forces.

The U.S. imperialist aggression forces must look straight at the trend of the times and apologize for all their atrocities against the Korean people and immediately withdraw from South Korea, taking along their nuclear and all other weapons of destruction.

The South Korean authorities must defend the ethos of the nation and refrain from flunkeyist treacheries of driving fellow countrymen to death by clinging to the coattails of the United States and stop impairing the dignity and honour of the nation.

The North side's headquarters of Pomchonghaknyon and the youth and students in the northern half of the country will more valiantly fight against the outside forces and traitors and to defend the national dignity and accelerate the independent and peaceful reunification of the country in firm solidarity and unity with the South

side's and overseas headquarters of Pomchonghaknyon and all the fellow youth and students in the South and abroad, declared the spokesman.

South Urged To Show 'National Independence'

SK1811071592 Pyongyang KCNA in English 0502 GMT 18 Nov 92

["South Korean Authorities Must Switch Their Policy to National Independence"—KCNA headline]

[Text] Pyongyang November 18 (KCNA)—If they have the least spirit of independence, the South Korean authorities must, though belatedly, discard their anti-reunification stance of dependence on outside forces and effect a policy switchover to the stand and attitude of national independence and boldly renounce the insidious mode of thinking whereby to solve something in reliance upon the United States, says NODONG SINMUN in an editorial article today.

The South Korean authorities have not departed from the outmoded thinking pattern of dependence on outside forces even at the moment when the North-South agreement and joint declaration on denuclearization have been adopted and brought into effect, the article says, and goes on:

Moving toward confrontation with fellow countrymen by depending on outside forces and joining hands with them as the South Korean authorities when the country remains divided into North and South cannot be regarded as an act for reunification.

Dependence on outside forces boils down to giving up of one's own accord one's dignity and position as an independent dialogue partner and losing one's credit as an authoritative dialogue partner.

The South Korean authorities, in actuality, read the mind of their American master when sitting face to face with the fellow countrymen for dialogue, and they go back on the promise they made to the fellow countrymen and withdraw their pledge to the nation, if the United States does not like it, although they have reached good agreements with fellow countrymen. How can we regard them as an independent being, a trustworthy dialogue partner?

The past history of North-South dialogues shows that whatever good agreement between the North and the South cannot be implemented properly, if a dialogue partner opts to depend on outside forces, bereft of national independence.

National reunification can be achieved only by the independent forces of the nation, the motive force of reunification, not by outside forces which caused the national division.

We will as ever firmly maintain the independent stand and solve the reunification question by relying on the independent forces of the nation, rejecting outside forces.

The South Korean authorities must act with discretion, looking squarely at the unshakable will of the whole nation to solve the reunification question through national independence under whatever circumstances, and, for the present, stop their reckless moves for confrontation and war and take a step of unconditionally withdrawing the decision to resume the "Team Spirit" joint military exercises before the end of November as demanded by us.

Peace, Reunification Group Issues Bulletin

SK1611070392 Pyongyang KCNA in English 0453 GMT 16 Nov 92

[Text] Pyongyang November 16 (KCNA)—The International Liaison Committee for Reunification and Peace in Korea published a special issue of its bulletin under the title "Resumption of the 'Team Spirit' joint military exercises is a grave provocation against peace and reunification in Korean peninsula".

Recalling that the United States and the South Korean authorities had decided to resume the "Team Spirit", the bulletin said: It is a deliberate provocation intended to aggravate the tensions on the Korean peninsula and an intolerable challenge to the desire of the entire Korean people and of the world's peaceloving people.

The U.S. and the South Korean authorities are trying to justify the resumption of the "Team Spirit" under the pretext of "nuclear threat from the North", it noted, branding it as an artifice to justify the presence of the U.S. forces in South Korea.

The bulletin called upon all the peaceloving people all over the world to extend full support and solidarity to the Korean people's struggle.

Daily Denounces 'Anti-Socialist Campaign'

SK1511112392 Pyongyang KCNA in English 0824 GMT 15 Nov 92

[Text] Pyongyang November 15 (KCNA)—NODONG SINMUN today comes out with a signed article headlined "anti-socialist campaign of imperialists fated to come to grief," which reads in part:

In an effort to contain socialist countries, the imperialist reactionary forces employ every conceivable means—political and diplomatic pressure, military blackmail, economic blockade, ideological and cultural infiltration, and what not? And they are working overtime to prevent the revival of socialism in those countries where it has been frustrated and to block the developing countries from taking the road of socialism.

The anti-socialist campaign of the imperialists and reactionaries, however, is bound to go busted. It is because their anti-socialist campaign goes against the law of historical development.

It is an immutable law of historical development that human society develops toward socialism.

The anti-socialist campaign of the imperialist reactionary forces is a challenge of the old to the new.

As for the frustration of socialism and the restoration of capitalism in some countries, it is a partial and temporary phenomenon in the light of law and current of historical development.

Their anti-socialist campaign is bound to go awry also because of its conflict with the people's desire for independence and the corruption and vulnerability of modern imperialism.

It is foolish of the imperialists and reactionaries to dream of stifling socialism and turning back the current of history.

No Tae-u's Policy of Neutral Cabinet Denounced

SK1511112992 Pyongyang KCNA in English 0828 GMT 15 Nov 92

[Text] Pyongyang Nov. 15 (KCNA)—The No Tae-u "regime", putting up the signboard of "neutrality" in South Korea, cracks down on all people who fall out of favor with it, including the workers who demand the right to existence, the elementary democratic demand, and students and people of other strata who are opposed to the anti-popular policies of the authorities.

Commenting on this, NODONG SINMUN Sunday denounces this as vicious fascist suppression going against the desire of the people. The "neutral cabinet" of South Korea is no more than a mere name and its policies are fascist, it adds.

The analyst goes on:

It is a matter of common sense that, if the South Korean "regime" is to become "neutral," ceasing to be a military fascist dictatorial "regime", there must be a switchover in its policy. But, the policy of the "new cabinet" of South Korea is not different at all from that pursued by the one before the advertisement of "neutrality".

In its relations with the United States, the present "administration" carries on the flunkeyist, treacherous policy of depending on foreign forces. Even after putting up the signboard of "neutrality", it is begging for the permanent occupation of South Korea by the U.S. imperialist aggression forces. Only recently it transferred to the U.S. side a GI who had murdered a South Korean woman and other GIs who had assaulted Koreans, not punishing them.

The new "cabinet" does not maintain neutrality even among political parties, not to speak of neutrality in its policy.

The "neutrality" noisily advertised by the South Korean authorities is nothing but a political drama to divert the attention of the people elsewhere, continue to pursue the military fascist policy and stay in power by changing the signboard.

South Korea

Envoy to U.S. Says Ties To Grow Under Clinton

SK1811044192 Seoul YONHAP in English 0007 GMT 18 Nov 92

[Text] New York, Sept. 17 (OANA-YONHAP)—South Korea-U.S. relations will continue to grow based on democracy and free trade despite changes in the U.S. administration under President-elect Bill Clinton, South Korean ambassador to Washington Hyon Hong-chu said Tuesday.

The traditional friendly bond preserved by democracy and free trade, and unchanging U.S. interests in the Pacific would further develop bilateral relations, Hyun said in a speech before the Korea Society.

The two countries had a mutually cooperative partnership in security, economy and culture that would not be influenced by a leadership change on one side, the ambassador said.

Group To Lobby Bush Officials Before Transition

SK1811100492 Seoul YONHAP in English 0821 GMT 18 Nov 92

[Text] Seoul, Nov. 18 (YONHAP)—South Korea will contact members of the outgoing U.S. Administration to make sure that a correct understanding of bilateral trade issues is included in their report to the incoming administration, officials agreed in a meeting Wednesday.

It was also agreed not to dispatch an economic delegation until the administration of President-elect Bill Clinton takes more definite shape, the officials said.

Assistant Foreign Minister Ho Sung led the meeting with relevant Economic Ministry officials to devise communication measures with Clinton aides on trade matters and decided to concentrate first on Bush officials.

The Bush administration will report on pending issues to Clinton officials, and the emphasis should be on ensuring that South Korea's position is clearly reflected in the report, the officials said.

Assistant Foreign Minister Sin Ki-pok left for Washington earlier in the day and will meet with economic as well as State Department leaders for the purpose.

In the meantime, South Korea will practice an early warning system by tackling potential problems in the Presidents' Economic Initiative (PEI) follow-up session next month in Washington, at the intellectual property rights talks early next year, and at various trade seminars and symposiums.

Firms Deny Patent Violation Claim by U.S. Firm

SK1811112992 Seoul YONHAP in English 1008 GMT 18 Nov 92

[Text] Seoul, Nov. 18 (YONHAP)—The two Korean electronic companies, which were accused recently of patent violations by a U.S. semiconductors maker, Wednesday denied any violation of the American firm's patents.

The Micron Semiconductor Co. of the U.S. complained to the International Trade Commission on Nov. 13 of the violation of its patents by the Hyundai Electronics Co. and the Goldstar Electron Co. of Korea.

The two Korean firms said Micron Semiconductor's complaint was totally without any foundation. Saying that they had full evidential materials against the American firm's claim, the two firms said that depending on situation they would counter-sue the American firm.

In a statement, Hyundai Electronics said a detailed technical review by its research staff and some outside experts revealed they had not violated any patent of the American firm.

The statement said it was incomprehensible that Micron Semiconductor sued the company in view of the fact that last May the American firm offered license contracts for some of their patents, an offer which was still being negotiated.

Goldstar Electron, too, said hitherto technical examinations had revealed no trace of any violation of the American company's patents. Goldstar said it was preparing systematic procedures to prove its innocence.

ROK, PRC To Cooperate in Aircraft Production

SK1511075992 Seoul HANGUK ILBO in Korean 15 Nov 92 p 7

[Text] The ROK and China are building a cooperative system in the aviation industry.

According to the Korean Aviation and Space Industry Promotion Association on 14 November, local aviation industrial companies, such as Samsung Aviation, Korean Aviation, and Daewoo Heavy Industrial Company, are expected to sign a technological cooperation agreement for the production of civilian airplanes and their materials and parts with the officials of the China National Aero- Technology Import and Export Corporation who will visit the ROK on 15 November so as to build a cooperative system between the aviation industries of the ROK and China.

The Chinese delegation consisting of five officials from the Aviation Supplies Institute under the China National Aero-Technology Import and Export Corporation and from Chinese aviation business circles will stay in the ROK until 22 November, holding a seminar introducing the status of the Chinese aviation technology and industry and visiting local industries to explore specific areas of cooperation. China is reported to have higher technological standards than the local aviation industries by producing helicopters for the U.S. firm McDonnell-Douglas and the French company Aerospatiale and selling them in the amount of approximately $2 billion annually.

Daily Interviews Russian Deputy Prime Minister

SK1511042592 Seoul KYONGHYANG SINMUN in Korean 9 Nov 92 p 8

[Interview with Russian Deputy Prime Minister Shokhin by correspondent Hong Song-kyun in Moscow on 7 November]

[Text] [Hong Song-kyun] The CIS was formed a year ago next month. What do you think of the CIS's future in view of the course of negotiations among the member republics so far?

[Shokhin] The CIS republics have many conflicting problems. However, they have agreed in principle that they must solve those problems through mutual cooperation. The CIS has a long way to go. However, the CIS republics concur that achieving reconciliation, compromise, and cooperation are their very urgent task. I think that this gives a hope for the CIS' future.

[Hong] Russia was the first among the CIS republics to try to boldly transform the capitalist economy into a market economy. How do you assess the achievements in Russia's efforts for economic reforms?

[Shokhin] Russia's economic reforms have reached the most difficult and painful stage. As a result of the price liberalization, Russians no longer line up in front of shops to buy goods. However, they had to pay the enormous price of seeing their living standards plummet to a third of their previous level in a few months. As a result of our efforts for economic reforms, basic conditions have been provided for transforming our economy into a market economy, and an exit is being opened for an escape from the crisis. I think that the process of trying to escape from the crisis facing the Russian economy will continue until 1995.

[Hong] Do you think the economic reforms can continue despite some people's resistance? On what fields will the future economic reforms focus?

[Shokhin] The economic reforms must continue. Next year, the pace of reforms will be accelerated depending on fields. Next year, Russia will privatize houses and other real estate owned by the state, privatize state corporations, turn the defense industry into civilian use,

increase exports to various countries of the world, and try to induce foreign investments. Among other things, the ruble's exchange rate will be stabilized next year. Privatization is the most important task for next year. Privatization started in February this year. Over 20,000 corporations have been privatized in eight months. The workers on the payroll of the state and autonomous regional administrative units have been reduced by 4 million. As a result of our efforts to carry out the privatization policy, civilian business activities will be expanded radically. As a result, the private sector will make up over 60 percent of the total industrial production. In particular, the government's goal is to reduce its share of the total trade volume is below 10 percent.

[Hong] The Russian Government has so far carried out a very inflexible foreign exchange policy. As a result, foreigners and foreign corporations have remitted and receive foreign currency funds through Western banks in Russia's neighboring countries. What is the Russian Government's plan to induce foreign investments?

[Shokhin] Russia has taken a series of measures to give special favors to foreign investors to improve the environment for foreign investments. In particular, Russia has decided to give tax credits to foreign investors. Only foreign corporations registered as of January 1992 will receive tax credits. In addition, the International Cooperation and Development Organization has begun to carry out its activities. This organization will operate funds to pay foreign investors insurance money for political risks that they take. The most important task is, I think, to stabilize the ruble. The ruble has been radically plummeting to a level of 400 rubles to a dollar at present. I think that the ruble will be stabilized next year.

[Hong] President Yeltsin is going to visit the ROK on 18 November. This will be the first time in history for a Russian president to visit the ROK. What change do you think Yeltsin's visit will bring in ROK-Russia economic cooperation? In particular, which areas does Russia want the ROK to invest in?

[Shokhin] I expect that the two countries' broad economic cooperation projects, which are being reviewed now, will take concrete shape with Yeltsin's visit as a momentum. For example, for the Yakutsk gas exploring project on which Russia and the ROK have already agreed, I believe a contract will be signed and further plans on construction of transport pipelines will be discussed during his visit, thereby an important momentum will be provided for realizing the plan for the ROK to use the natural gas from Yakutsk.

Besides, I think discussions on oil and nonferrous mineral development projects, which are being promoted now, will be actively held. I also expect that ROK enterprises' investment in the Nakhodka free economic zone, on which the Nakhodka Land Committee and the Korea Land Development Corporation have agreed, will be discussed.

[Hong] Because the interest of the $1 billion cash loan that the ROK provided to the former Soviet Union has not been paid, public opinion is against ROK-Russia economic cooperation. Also, voices stressing the need to be prudent in providing the rest of the promised $3 billion loan are increasing.

[Shokhin] The Russian Government fully understands the position which the ROK is placed in because of the unpaid interest of the loan it provided the former Soviet Union. After due consideration and review on the loan from the ROK, the Russian Government has decided to disburse the unpaid interest. A Russian Government delegation has recently visited the ROK to handle this issue. Due to the poor situation of foreign currency in Russia, the Russian Government intends to pay some of the interest in cash and some in raw material.

The Russian Government tries to disburse the unpaid interest at the earliest possible date, and the ROK can believe it. To disburse the unpaid interest of the loan provided by the ROK to the former Soviet Union has a significant meaning to Russia as it means resuming ROK's execution of the promised loan, which was frozen by the unpaid interest.

[Hong] Yeltsin's visit to the ROK, which was rescheduled after the cancellation of his visit to Japan slated for last September, has a special meaning along with his visit to China slated for mid-December because these visits will be held under the plan of the Russian president's first visit to Asian countries since the collapse of the Soviet Union. What is new-born Russia's policy toward Asia?

[Shokhin] Certainly, it is a very important issue. Russia's foreign policy will attach great importance to Asia. In particular, we take a serious view of the special historic tradition in relations with the ROK which has developed most dynamically. We are making an intensive study of the ROK, under the assumption that the experience of the ROK, which has made a great industrial development in a short time, will be a good guide for Russia's economic reform. I believe this background tells about the unlimited possibility of the future development of Russia-ROK relations.

[Hong] Relations between newborn Russia and North Korea have frozen rapidly since the collapse of the Soviet Union. In particular, the suspension of the oil supply to North Korea indicates economic relations between the two countries are almost severed. What is the main principle of Russia's policy toward North Korea and the Korean peninsula?

[Shokhin] Russia changed the means of settlement in trade with North Korea to be done with hard currency. It is natural that the trade amount between the two has rapidly been decreased because neither North Korea nor Russia possesses sufficient hard currency, as you know.

I think Russia can play a very important role in resolving the issue of the Korean peninsula since it maintains

relations with both South and North Korea. To realize reunification of the Korean peninsula, we think first above all, ceaseless dialogue between South and North Korea should be held.

Second, strategies are needed to create a favorable atmosphere in the international situation for reunification of the Korean peninsula. I can say Russia is making full preparation for creating a favorable international environment for reunification of the Korean peninsula.

Russia Said Ready To Cancel DPRK Military Aid

SK1811013692 Seoul KBS-1 Radio Network in Korean 2300 GMT 17 Nov 92

[Report by reporter Kim Son-ki]

[Text] Russian President Yeltsin left Russia for the ROK for his official visit to the ROK early this morning, Korean time. It was learned that during his visit to the ROK, President Yeltsin will notify the ROK that Russia will virtually denounce the Russia-North Korea mutual military aid treaty. Correspondent Kim Son-ki reports from Moscow:

[Begin reporter Kim Son-ki recording] The Russia-North Korea mutual military aid treaty will be virtually abrogated. According to a Russian Government source, during Yeltsin's visit to the ROK, Russia will notify the ROK that the friendship and cooperation and mutual military aid treaty signed between the former Soviet Union and North Korea in 1961 will be virtually changed to a treaty excluding military alliance. This source said that of the articles of the friendship and cooperation and mutual military aid treaty, the content of the article regarding automatic military intervention, which strongly expresses military assistance, will be changed to read that Russia will aid North Korea only in the case of aggressive acts that are committed without a declaration of war. This means a major alteration of the article regarding Russia's automatic intervention.

This source said that according to the military cooperation protocol to be signed with the ROK during Yeltsin's visit, Russia will inspect the U.S.-ROK Team Spirit joint military exercise which North Korea has demanded to suspend.

In the meantime, President Yeltsin, accompanied by the Uzbek foreign minister, Deputy Prime Minister Chernomydrin, Defense Minister Grachev, and others, departed for the ROK for a two night and three day visit to the ROK at 0540 Korean time. [end recording]

Yeltsin Expected To 'Reinvigorate' Economic Ties

SK1811053992 Seoul THE KOREA HERALD in English 18 Nov 92 pp 8, 9

[Text] Russian President Boris Yeltsin's official visit to Korea will reinvigorate economic relations between the two countries which have so far cooled down because of the former Soviet Union's internal turbulence, government and business officials said yesterday.

The Russian leader is accompanied by a 123-member economic mission, which business sources say Russia pins high hopes on for increased economic ties.

Russia submitted to Korea a document to guarantee repayment of loans Korea extended to the former Soviet Union and pay back overdue interest yesterday on the eve of Yeltsin's arrival in Seoul, removing a major stumbling block to expanded economic ties.

V.N. Koptevsky, a member of the Russian president's advance team and director general of the Asian Department of the Ministry of Foreign Economic Relationships of the Russian Federation, handed the paper to Korean creditors.

Korean firms' exports of goods in tied loans to Russia have virtually stopped because of Russia's failure to repay interest on the loans. Korea suspended $330 million worth of exports to Russia which were earlier promised in the tied loans last year.

In a related development, business leaders from Korea and Russia's Far East agreed on the need to establish an industrial complex in Nakhodka for improving economic collaboration projects during the first meeting of the Korea-Russia Far East Association held in Seoul yesterday.

Chang Chi-hyok, chairman of Kohap Business Group and head of the Korea-Russia Far East Association, led the Korean side, while the Russian side was headed by V.S. Kuznetsov, governor of the Primorsk region.

Chang told a news conference that the two sides also agreed to create a center at each other's capital designed to exchange such information as technology and prices of goods by next year.

Korean small and midsize firms would be given a priority in installing their plants in the proposed industrial estate, said the business leader, adding that there is a tentative agreement that Russia would be responsible for water, electricity and telecommunications system essential for the establishment of the industrial complex.

Korean conglomerates are expected to conclude collaboration projects during Yeltsin's visit.

The projects include the development of the Yakut oil and natural gas field and Korean participation in converting Russian defense industries to civilian purposes.

A project to set up a Korean trade center in Moscow will also be discussed, business sources said.

The Korea Trade Promotion Corp., and three Korean business groups are likely to hold talks on the project which has been delayed since an agreement was made during the Korean-Russian ministers' meeting in 1990, they said.

The Russian president is to visit industrial facilities, including a Samsung Electronic Co. factory during his stay in Korea.

ROK-Russia Technological Cooperation Viewed

SK1811060992 Seoul THE KOREA TIMES in English 18 Nov 92 pp 1, 3

["ROK-Russia Technology Cooperation Falls Far Short of Expectations"—by staff reporter Sin Hak-nim]

[Text] There is a saying: "Much ado about nothing." This might be applied to the general situation surrounding scientific and technological cooperation between South Korea and Russia and other former Soviet republics.

Following the establishment of full diplomatic ties between Seoul and Moscow in September 1990, Korean expectations of technological cooperation from Russia was sky-high.

Advanced technologies in various fields held by the Russians captivated the imaginations of Koreans who were ardently struggling to acquire sophisticated technology from Western countries, particularly the United States, but to little avail.

Koreans felt an urgent need to secure high technologies from abroad because they were rapidly losing international industrial competitiveness mainly because of a lack of technologies.

For that reason, leading businessmen and government officials rushed to Moscow to discuss arrangements for cooperation in science and technology with the Russians.

Russia, for its own part, needed collaboration with Korea which has expertise in commercializing advanced technologies because Russia is on the path toward market-oriented economic reforms.

As a result, South Korea and Russia signed the Agreement on Scientific and Technological Cooperation in late 1990, laying the groundwork for a substantial partnership.

In accordance with the agreement, the South Korea-Russia Joint Committee on Scientific and Technological Cooperation, headed by science and technology ministers of the two countries, held its first meeting in Seoul in June 1991 and the second one in Moscow in June this year to work out various programs for cooperation.

To facilitate the implementation of cooperative projects, the South Korea-Russia Scientific and Technological Cooperation Center (KRSTCC) was set up in the Korea Institute of Science and Technology (KIST) and its counterpart company was formed in the Russian Academy of Sciences.

The center serves as a window for cooperation in science and technology between the two countries.

Programs now under way include the exchange of scientists and specialists, short-term retrieval of commercializable technologies, formation of consortia aimed at combining Russian basic technologies and Korea production technologies, transfer of key Russian technologies to Korea and establishment of a database for technological information.

About 400 scientists and specialists visited each other's country in 1991 alone. This year, Korea plans to recruit a total of 43 Russian scientists for research work in six fields, including basic science, mechanical engineering and materials science, on a short- term basis ranging from one to four months. Some of them are working here and some others have returned after completing their work.

They consult on research work at government-funded and private institutes and lecture in colleges.

This program will be expanded to recruit some 100 scientists in 1993 on a longer-term basis.

Private industries will select 10 subjects of technologies which can be commercialized within one or two years. An agreement has been made on the establishment of an automobile consortium between 10 KIST-member organizations, including Hyundai Motor Co., and Russian enterprises.

The center supports a joint venture company for the production of industrial gas turbines and development of CFC (chlorofluorocarbon) alternative materials and "fourth-generation" antibiotic materials.

The transfer of 84 key technologies, including "pulse wave energy transfer technology," from Russia is also under way. To that end, the center plans to set up a "Russian Technology Transfer Company."

Arranged by KRSTCC, various research centers affiliated with KIST concluded agreements on cooperation with 25 institutes in Russia, including the Russian Academy of Sciences, six institutes in Ukraine, five in Byelarus and one in Kazakhstan in order to establish a network for cooperation in the former Soviet Union.

At first glance, cooperation in science and technology between Seoul and Moscow seems to be making progress.

However, the current status in scientific and technological cooperation falls far short of expectations both from Korean and Russian perspectives, relevant officials and scientists at KIST admit.

Why? And which of the two sides is to blame?

Dr. Chang Hak-su, a Korean resident in Russia who now serves as senior consultant at KIST, said that he believes there was something wrong in the Koreans' approach and their lack of information about Russian science and technology.

"Following the normalization of diplomatic relations with Russia, many leading businessmen visited various institutes in Russia to find advanced technologies. But they grumble that they found few Russian technologies which could be easily commercialized within a short term," Chang told THE KOREA TIMES.

In a sense, it is vary natural that Korean businessmen and technicians failed to find Russian partners for joint projects, he said, pointing out that most Korean businessmen contacted with basic research academies instead of specialized institutes scattered throughout the vast area.

"It is hasty and wrong to expect to procure advanced technologies from academies and institutes which conduct basic scientific research. They have few technologies which can be commercialized within a short time," Chang said.

Dr. Chang and other local scientists also contend that more funds need to be allotted to obtain advanced technologies from Russia. They referred to the fact that the government allotted a meager $3.8 million and private enterprises $1.4 million for 48 projects for the transfer and commercialization of Russian technologies.

Yeltsin Visit Seen as 'Significant Event'

SK1811093092 Seoul CHUNGANG ILBO in Korean 17 Nov 92 p 3

[Editorial: "Points To Consider on Yeltsin's ROK Visit"]

[Text] Russian President Boris Yeltsin will arrive in Seoul on 18 November for a three days-two nights visit. Even though Russia is suffering from serious political instability because of attacks from Russian conservatives, President Yeltsin nevertheless took a decisive step to visit the ROK. Therefore, his ROK visit will be a significant event for both countries.

As the 'Treaty on Basic Relations between the ROK and Russia' will be concluded during his visit, relations which have recently progressed between the two countries will be institutionalized legally. It is believed that the Russian side will provide additional material on the shooting down of the Korean airliner and convey its apology to bereaved families during the visit. Therefore, ROK-Russia relations will see even more accelerated development.

Of more significance, however, is the fact that the 'ROK-Russia Military Protocol' will be concluded. Legalizing military cooperation with Russia, a former enemy and military ally of North Korea, is of importance not only in ROK-Russia relations but also in international relations between East Asian nations. Although matters of military operations are not included in the military protocol, important contents in the field of diplomacy and carrying out exchanges in the educational field—mutual exchanges of high-ranking officials and students of the National Defense College, mutual inspection of military exercises, and mutual visits of navel vessels and flying corps—are included.

The ROK-Russia basic treaty declares a nonaggression policy in saying: 'Armed threat and exercise of force between the two countries will be prohibited and all disputes will be settled peacefully.' Moreover, a military protocol which is expected in reality to nullify the military alliance formed through the 'DPRK-Soviet Treaty on Mutual Friendship and Assistance' will be concluded.

The main purpose of Yeltsin's visit to the ROK is to promote economic cooperation between the two countries and ensure the execution of the remaining portion of economic loans to Russia. While continuously promoting cooperative relations with Russia, we should also make a prudent decision on the execution of the remaining $1.53 billion of the total $3 billion economic loan to the CIS. We are not providing the loan from our own surplus cash, but from money from foreign countries. We also need to consider that the CIS has delayed interest payments on the executed part of the loan.

Russia recently submitted a certificate of payment to our government, ensuring payment of the overdue interest in aluminum ingots. However, this is only a part of the interest which the CIS has to repay. The promise to repay the old Soviet Union's debts was not kept and there is no positive proof that this promise will be kept in the future. Russia's economic potential is infinite but because of the instability of its system, our businesses are limited from actively advancing into Russia.

In Seoul, President Yeltsin plans to announce Russia's overall policy on Asia. His visit will be an opportunity for Russia to advance its long promoted plan to 'achieve Russia's Asianization.'

On the occasion of Yeltsin's visit to the ROK, the government should bear in mind that it should not isolate North Korea excessively, and work so that no problems arise in relations with our traditional allies—the United States and Japan—and China, with whom we have most recently established diplomatic relations.

Yeltsin Visit Creating 'New Dimension' in Ties

SK1811052392 Seoul THE KOREA TIMES in English 18 Nov 92 p 6

[Editorial: "Yeltsin's Visit to Seoul"]

[Text] Russian President Boris Yeltsin will be the first Russian head of state ever to visit Seoul and it comes at a time when overriding problems are plaguing his country. For that matter, his three-day official visit here is being looked on as a catalyst in opening a new chapter in the fledgling Seoul-Moscow relationship.

At the same time, Yeltsin is expected to announce his government's diplomatic policies in regard to Asia,

notably Northeast Asia, on the occasion of his first-ever visit to an Asian country. What is even more significant is that he is visiting Korea first, before China, and Japan, not to mention North Korea.

Korea and Russia are thus on the threshold of creating a new dimension to the mutual relationship in the political, economic and cultural fields. Of course, the most important aspect is the signing of a basic treaty on mutual amity and friendship, providing the foundation for the development of bilateral ties and cooperation in various fields as friendly partners.

The Russian president may well place diplomatic priority on the expansion of mutual trade, economic, and technical cooperation, cognizant of the potential of these areas. In particular, the resumption by Korea of its economic aid and investments in Russian ventures such as Siberian development will be called for, as related statutory arrangements will have been completed and problems pending on Russian payment of overdue interest on the loans Korea extended will have been settled.

Our new concern is on the report that Seoul and Moscow are to sign a protocol on military cooperation when the Russian leader visits here. It was reported that the protocol will cover mutual exchange visits by high-level military officials and defense college students, submarine and aerial teams and mutual invitations for the observation of military exercises.

The projected military venture could promote peace and security on the Korean peninsula and Northeast Asia as well, as it could possibly serve to restrain any possible military adventures by Pyongyang. And it may pave the way for Seoul to procure arms from Russia.

However, the military protocol needs to be appraised in relation to the existing Korea-United States defense and security system. Also, the measure should be relevant to the concept of the security arrangement for Northeast Asia that was earlier proposed by former Soviet president Mikhail Gorbachev, in view of the fact that any abrupt change in the present balance of power in this region could trigger new tension here and elsewhere.

Besides, it is hoped that Yeltsin's visit could liquidate lingering suspicion on the Soviet downing of Korean Air Flight 007 with an official apology by him and the presentation of all materials including the cockpit recordings and the black box. This buildup of mutual trust and confidence is sure to accelerate the overall cooperation and friendship between the two neighboring countries.

Yeltsin Visit Shows ROK's 'Growing' Importance

SK1811065492 Seoul THE KOREA HERALD in English 18 Nov 92 p 6

[Editorial: "Yeltsin's Visit to Seoul"]

[Text] Russian President Boris Yeltsin's visit to Seoul today, which immediately follows President No Tae-u's trips to Japan and China, is indicative of the growing geopolitical importance of Korea in the shaping of a new post-Cold War political order in Northeast Asia. This is well substantiated by IZVESTIYA which, quoting various Russian government sources, said, "Russia hopes to achieve a special relationship with South Korea and hopes this will also have an influence on Japan in making them more open to Moscow."

Indeed, Yeltsin is making the Seoul trip as his first outing to Asia, whose relative gravity is ever growing, as the head of state. In his mind, Seoul is a leverage to prod others into coming closer to Moscow. Yeltsin certainly took pains to realize his Seoul visit, which was to take place last September but was put off as he canceled his trip to Japan over their dispute on the Kuril Islands.

Whatever Moscow's true motivation, the relations between South Korea and Russia are entering a new dimension, quite different from the one that existed as the turn of this century when Korea's inability, unwittingly, caused trouble in this part of the world. The end of the Cold War has found a flourishing Korea as a genuine partner for achieving coprosperity in peace.

Inconceivable only a few years ago, South Korea and Russia, arch- adversaries during the Cold War, are now talking about military cooperation. Russian officials were quoted as indicating that Seoul and Moscow will sign a protocol on military cooperation for such activities as exchange visits by high-level officials, submarine and aerial teams and defense students, and reciprocal invitations to observe military exercises. Seoul is sensitive enough to scale down the programs, saying that "it does not deal with any other military cooperation." It was also quick to clarify that talking about arms deals is still "too early," apparently mindful of reported speculation that Yeltsin's military approach is primarily aimed at selling Russian arsenals to Korea. Yet, military cooperation with Russia, in whatever form, should not stand in the way of maintaining Seoul's traditional relations with America.

The centerpiece of Yeltsin's visit is said to be the signing of a bilateral treaty on fundamental relations covering the parameters for cooperation in political, economic, scientific and other areas. True, Russia is endowed with immeasurable potential which can ensure promising economic cooperation for Korea. Besides, Russia remains a formidable nuclear-armed military power vital to insuring worldwide security, and especially for Northeast Asia where the influences of four world powers converge.

Notably, since the middle of the past decade, the then Soviet Union has made its intention better known that it is an Asian power. Yeltsin has reinforced that policy's tenor. He must have found Korea as a relevant geopolitical partner to this end.

As Yeltsin put it over the weekend, political and economic stability in Russia is vital for peace and stability on the Korean Peninsula. This behooves partners to complement each other. And Korea has done its part economically, through loans, beyond its ability in the view of many Koreans, to help rehabilitate Russia's ailing economy. Seoul is said to be considering resuming its loans to Russia, braving domestic criticism. A prudent approach is in order, given all the variables developing it. Russia.

Certainly, Yeltsin looks to his Seoul trip as "considerable impetus" toward other regional countries in the cause of Moscow's Asian approach. Yet, he is said to have no intention to scale back Moscow's relations with North Korea, which remains a potential threat to regional stability because of the North's dubious nuclear schemes. Under no circumstances should this be allowed to be mistaken for overlooking Pyongyang's dubiousness.

A flareup triggered by Pyongyang for whatever reason will break asunder all peaceful efforts. Russia's renewed bid to head off that eventuality is necessary. With such assurance, regional cooperation can be brought to its fruition. A genuine partnership between Seoul and Moscow will be very important. A mediator's role on the part of Seoul will be a necessary ingredient.

Dailies Assess Significance of Yeltsin Visit

SK1811123992

[Editorial report] The following are summaries of editorials carried by 18 November Korean-language daily newspapers on Russian President Boris Yeltsin's visit to the ROK:

CHOSON ILBO, a moderate-neutral daily, carries on page 3 an 800-word editorial entitled "Yeltsin Comes to Seoul." The editorial describes the history of relations between the ROK and Russia. Referring to national security, noted as the focus of the ROK people's attention, the editorial says the Soviet Union is inscribed in the ROK people's mind as a "threat" and that the ROK people cannot dispel doubts about Russia, the Soviet Union's successor state. It adds: "This may be because Russia has left intact the 'DPRK-Soviet Treaty of Friendship and Mutual Assistance.' If Russia is to establish genuine friendly and cooperative relations, it must seek to modify its relations with North Korea."

Referring to the report that the ROK and Russia would sign a protocol for military cooperation, the editorial says: "We hope that the signing of this protocol will render the DPRK-Soviet treaty virtually ineffective, make the exchange of military information among the powers poised in Northeast Asia routine, and prevent military conflicts."

The editorial also says that Russia's reestablishment of relations with North and South Korea would "give rise to great changes in the security situation in Northeast Asia." The editorial concludes by saying: "Using Russian President Yeltsin's visit to the ROK as an opportunity, the ROK and Russia must completely eliminate the legacies of the cold war and make joint efforts to promote bilateral interests and achieve peace in Northeast Asia from new perspectives."

HANGUK ILBO, a centrist newspaper, carries on page 2 an 800-word editorial entitled "President Yeltsin's Visit to Seoul."

The editorial first describes the significance of President Yeltsin's visit to the ROK by saying that the visit would "provide a practical basis for friendly and good-neighborly relations" between the ROK and Russia. The editorial elaborates on the basic agreement and the military cooperation agreement, which Presidents No Tae-u and Yeltsin will sign during the visit. The editorial concludes by saying: "The visit will provide a basis for ending hostile relations between the ROK and Russia and pledging to develop new balanced relations."

SEOUL SINMUN, a pro-government newspaper, carries on page 3 an 800-word editorial entitled "Military Cooperation Between the ROK and Russia and Peace in Northeast Asia."

The editorial first elaborates on the significance of President Yeltsin's visit to the ROK. Referring to the planned signing of the basic treaty between the ROK and Russia, the editorial says this would be an "important opportunity to normalize ROK-Russian relations." The editorial describes the military cooperation agreement which is scheduled to be signed as a "new development that will directly affect the two countries' relations with North Korea and peace in Northeast Asia." After expressing the hope that during President Yeltsin's visit, Russia would apologize for the Soviet downing of the Korean Airlines plane and express regrets for the division of the Korean peninsula and the Korean war, the editorial concludes by saying: "We have no intention to ask Russia to sever its ties with North Korea. However, Russia must modify its relations with North Korea that contradict the new treaty it will reportedly sign with the ROK. Then, ROK-Russian relations will be brilliantly developed and consolidated."

KYONGHYANG SINMUN, a centrist newspaper, carries on page 3 an 800-word editorial entitled "A New Horizon in ROK-Russian Cooperative Relations."

After stressing the importance of President Yeltsin's visit to the ROK, the editorial says that the ROK Government must resolve the controversy over Soviet assistance in North Korea's southward invasion and the downing of the Korean Airlines plane, adding: "Neither of the two sides must try to gloss over those two issues by using plausible diplomatic rhetoric. Trying to build a future without genuinely clearing the past will be in vain."

After welcoming the fact that the ROK and Russia have agreed to resume economic cooperation, the editorial

concludes by saying that the two countries "must not stick to immediate benefits," adding: "What is important is the opening of a new horizon for political and diplomatic ties and economic exchange on a long-term basis."

Kim Tae-chung Opposes Resuming Aid to Russia

SK1811044392 Seoul THE KOREA TIMES in English 18 Nov 92 p 2

[Excerpt] Kim Tae-chung, presidential candidate of the Democratic Party, yesterday raised strong objection to the government's plan to resume economic assistance to the Russian Federation on the occasion of President Boris Yeltsin's visit.

In a meeting with a group of progressive professors, he said he harbors strong dissatisfaction over the government's consideration to offer the assistance to a country which he says lacks the ability to pay back the loan.

"It is totally wrong for the government in the latter part of its term to resume economic aid by raising funds overseas," he said during a panel discussion organized by the Citizen's Coalition for Economic Justice.

"Russia is not ready to accept the assistance and does not have the capability to pay it back. When I visited Russia last year, I could not conceive where the money that had already been extended to the country was used," he said.

"I think it is improbable that the loans will be redeemed," he said.

He recalled that last year during a speech in the National Assembly he demanded that the government should shelve the loans or consortium along with advanced countries which have experience in giving economic assistance. But the government ignored my suggestion, he said. [passage omitted]

ROK, Russia To Strengthen Small Business Ties

SK1811062692 Seoul YONHAP in English 0546 GMT 18 Nov 92

[Text] Seoul, Nov. 18 (YONHAP)—The Korea Federation of Small Business signed an agreement Wednesday with the Russian Committee for Support of Small Enterprises and Entrepreneurship and the International Fund for Support of Economic Reforms in Russia on expanding cooperation and strengthening ties between small businesses of the two countries.

The three organizations will strengthen commercial and economic links between business circles and give impetus to the development of Korean-Russian economic and trade relations.

They pledged to make efforts to solve common problems of entrepreneurship, maintenance of small- and medium-sized enterprises in Korea, development of small businesses in Russia, improvement of the people's living standards, and creation of a multistructured economy in Russia.

They decided to create systems to exchange information on business activities, to provide consultative and organizational support for entrepreneurs in Korea and Russia, and to jointly publish an information bulletin.

JNCC Fails To Agree on Nuclear Inspection

SK1811062892 Seoul KBS-1 Radio Network in Korean 0605 GMT 18 Nov 92

[Text] The North and the South today held the 10th meeting of the North-South Joint Nuclear Control Committee [JNCC] at Panmunjom.

However, with differences in the position on the Team Spirit exercise, the two sides failed to find points of agreement.

Accordingly, the two sides agreed to a contact on 27 November. At today's meeting, our side stressed that if the nuclear inspection is conducted before the North-South high-level talks next month by adopting nuclear inspection regulations at today's meeting, the next year's Team Spirit exercise may be suspended. However, the North side urged our side to officially announce the suspension [chungji] of the Team Spirit exercise by the end of this month even before the inspection regulations are adopted. As a result, the inspection regulations could not be even discussed.

Burma

Industry-1 Minister Leaves for Japan, ROK Visit

BK1511062992 Rangoon Radio Burma in Burmese 1330 GMT 14 Nov 92

[Text] A Burmese industrial delegation led by Lieutenant General Sein Aung, member of the State Law and Order Restoration Council and minister for industry-1, left Rangoon by air this evening for a visit to Japan and the Republic of Korea.

The minister was seen off at Rangoon airport by Major General Kyaw Min, minister for mines; U Than Shwe, minister for industry-2; high ranking officials from departments and enterprises under the Industry-1 Ministry; Japanese ambassador Mr. Tomoya Kawamura; South Korean Ambassador Mr. Hang-Kyong Kim; and responsible personnel.

Health Minister Returns From India 14 Nov

BK1511061292 Rangoon Radio Burma in Burmese 1330 GMT 14 Nov 92

[Text] A Burmese delegation led by Rear Admiral Than Nyunt, minister for health, arrived back in Rangoon by air this evening after attending the second International AIDS Conference for Asia and Pacific held in New Delhi from 8 to 12 November.

The minister and delegation were welcomed back at Rangoon airport by Commander Major General Myo Nyunt, minister for religious affairs; Maj. Gen. Maung Thint, minister for the development of border areas and national races; Commodore Sein Lwin, station commander of Irrawaddy Naval Station; Colonel Than Zin, deputy minister for health; Dr. U Thein Nyunt, acting resident representative of the World Health Organization in Yangon; and directors general and responsible officials from the health ministry departments.

Delegation Leaves for Border Meeting in Thailand

BK1611143492 Rangoon Burma Television Network in Burmese 1330 GMT 16 Nov 92

[Text] A Burmese delegation led by Major General Maung Aye, member of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma] and commander of eastern military command, left by special armed forces aircraft for Thailand this morning to attend the seventh Burma-Thai Regional Border Joint Committee meeting.

The delegation includes Brigadier General Ket Sein, commander of southeast military command; U Nyunt Swe, deputy minister for foreign affairs; and 15 other members.

The delegation was seen off at the airport by Maj. Gen. Khin Nyunt, SLORC secretary-1; Maj. Gen. Tin U, SLORC secretary-2; Commander Maj. Gen. Myo Nyunt, minister for religious affairs; Maj. Gen. Thein Win, minister for transport; U Ohn Gyaw, minister for foreign affairs; and responsible personnel from the Defense Ministry and the Foreign Ministry.

Naga Rebels Kill 50 Villagers in Northwest

BK1411143492 Rangoon Radio Burma in Burmese 1330 GMT 14 Nov 92

[Text] Naga terrorist insurgents have been disrupting the peace and tranquility and killing innocent Naga villagers without any apparent motive. Thus, at 0500 on 8 November, a 25-member group of Naga terrorist insurgents entered Hteinmelian village in Leshi Township and massacred 35 (Makayin) Naga villagers.

The same Naga terrorist insurgent group continued to (Lawpani) village via (Taykhun) and (Kyaikkhaw) villages and massacred another 15 Naga nationals at 0600 on 11 November. In the massacre, the leader of the terrorist insurgent group shot one villager with a pistol while the followers beat to death the other 14 villagers with sticks. Among those 15 killed villagers—including two elderly persons—were six males, six females, two six-month-old baby boys, and one six-month-old baby girl.

Defense services columns, responsible personnel from the Township Law and Order Restoration Council, and People's Police Force members went to the villages where the massacres took place to provide relief measures. It has been learned that defense services columns are pursuing the terrorist insurgents.

Military Corruption, Spy Network Alleged

BK1711031492 Hong Kong AFP in English 0145 GMT 17 Nov 92

[by Erskine McCullough]

[Text] Rangoon, Nov 17 (AFP)—Burma's ruling generals are at the center of a web of corruption that has turned them into dollar millionaires, according to residents here and Burmese businessmen who have had to deal with them.

And with plans to increase the army from 300,000 to 500,000 men by 2000, the increasingly wealthy generals are determined to remain in power for the foreseeable future, observers say.

Although the economy lies in tatters, with the local currency all but worthless, residents say the junta leaders, under their official title of the State Law and Order Restoration Council (SLORC), continue to amass fortunes and the ordinary soldier has been turned into an elite class.

While a Burmese private receives only a meagre monthly salary, he has special housing, special shops and special transport, and his family is looked after by the government.

General Than Shwe, the prime minister and official leader of the junta, has allegedly put together a fortune by manipulating the system.

Major General Khin Nyunt, according to Burmese businessmen who have dealt with the head of the country's military intelligence, is involved in almost every major business project and has accepted millions of dollars in kickbacks.

Attempts by AFP to contact Khin Nyunt and other junta leaders about the allegations went unanswered.

"The leadership is lining its own pockets by accepting bribes to favour certain businessmen. Many of them have salted their money away in foreign banks in Singapore and Switzerland. Corruption is everywhere," said one successful Burmese businessman, who if he allowed his name to be published would find himself in Insein prison.

He admitted that he had paid massive bribes to military leaders to ensure several lucrative contracts.

Residents say it is the fear of the junta that has allowed corruption to flourish unchallenged.

Political opposition has been crushed, with opponents either in jail, in hiding or cowed into submission by what residents here describe as a brutal campaign of repression.

The junta has complete control and a daily diet of propaganda from state-run radio, television and newspapers is dulling the minds of the people, opponents claim.

What little anti-government news is heard, mostly from the BBC, is quickly denounced by Khin Nyunt.

The crumbling economy revolves around corruption with almost everyone being forced to play the black market to survive, and government officials admit privately that the generals will never carry out a serious campaign to end it.

The Bureau of Special Investigation, set up to probe corruption among government workers, catches only the people at the bottom of the chain.

"They are only allowed to go so high up the ladder. The generals and businessmen at the heart of the corruption are untouchable," said a bank clerk who has spent six months in Insein prison after being caught fiddling money.

As the corruption continues unabated, spying has become one of the country's biggest growth industries, creating a feeling of paranoia among the people.

"You very rarely see more than three people sitting together in one of the hundreds of tea houses scattered around the city. People are convinced that with three there is a chance that none of them work for military intelligence," one resident said.

"But if you increase the group to five they reckon the odds of an informer being amongst them as almost certain," the resident added.

Taxi drivers who hang around outside the city's hotels, illegally changing money and trying to buy whiskey and cigarettes from tourists, are only allowed to operate on condition they pass on information to military intelligence (MI).

"When MI ask us where we took certain tourists, who they saw, of course we tell them. If we didn't we would be put out of business right away," confided one taxi driver who has been working the hotels for more than 15 years.

Since 1988, military intelligence has increased from an estimated 10 to 12 companies up to 23. "It is a booming business and likely to continue to grow," said one foreign resident.

"MI is stretching out and taking over the running of many sectors. Many of the new people employed are simply bureaucrats," explained another resident.

Meanwhile, hopes the country might move towards some form of democracy following the 1990 elections have all but vanished, foreign observers here say.

"The military is here to stay and foreign governments have to decide whether promises of reform and an eventual transfer of power are genuine or not. Their decision will decide the future of Burma," said one diplomat.

SLORC Accused of Ignoring Narcotics Problem

BK1811034792 Bangkok THE NATION in English 18 Nov 92 p A4

[Text] A Well-known Burmese author who fled to the Thai-Burmese border after being released from six months in Rangoon's Insein Jail has accused the military junta of turning a blind eye to poppy cultivation and the soaring number of heroin addicts in the capital. He also blamed the ruling State Law and Order Restoration Council (Slorc) of encouraging the trafficking of illicit drugs to the world market and alleged that its well-publicized shows of narcotics destruction were faked.

Mahn Nyunt Maung, better known to his readers as Maung Sin Kye, during an interview at his hiding place, described a grim picture of widespread heroin availability and addiction in Rangoon. The former political prisoner said the Burmese military rulers have tolerated and encouraged heroin sales in Rangoon since they brutally put down a popular uprising in 1988.

The move, he said, was aimed at diverting the students' attention from politics.

"The availability of heroin at that time was so great that one could easily buy it at (any street) kiosk at a bargain price," he said.

Today, one can buy heroin without having to search for it and the state of drug addiction has become "so grisly that addicts are not only injecting into their arms and legs, but also their neck veins", he said.

Jail inmates as well have access to drugs, the Karen author added.

He said he believed UN anti-narcotics agencies might not be aware just how easy it is to obtain heroin in Rangoon as they are familiar only with Slorc's arranged displays of narcotics destruction.

"The UN and international antinarcotics agencies are not allowed [independent] visits to poppy growing areas.

"They can only witness what Slorc is willing to let them see," he said.

Slorc, he added, has neither enforced existing laws nor tried to suppress drug trafficking and sales in Rangoon, and even addicts, when they are tested, can easily avoid penalty by bribing officials to obtain a drugs-free certificate.

"Those young addicts who are sent to Wet Hti Kan rehabilitation centre in Prome often come out with an official document permitting them, to ohtain a certain amount of the drug for their daily consumption,' Mahn Nyunt Maung said.

The 59-year-old author, who is well-known for his book on Karen life and culture, said poppy production in northeastern Burma, especially in the Shan State, and drug trafficking is being carried out with the consent of the Burmese authorities.

"If Slorc is really serious about drug suppression, how come opium production is not decreasing," he asked.

He accused Slorc of thriving on narcotics proceeds and said its power and political stability rely mainly on the heroin economy.

Mahn Nyunt Maung's criticism came at a time when Slorc is urging the United States to restore financial aid to Burma for drug suppression.

Washington suspended the aid after the brutal military crackdown on pro-democracy demonstrations in 1988.

Last month, a senior Thai narcotic official urged countries that seize the assets of convicted drug traffickers to channel the money back to Burma to support its narcotics eradication programme.

Opium production in Burma has soared from about 300 tonnes yearly before 1988 to about 2,300 tonnes.

Rangoon has repeatedly rejected the figure as an exaggeration and claimed that its unilateral drug suppression and eradication programme was a success.

Mahn Nyunt Maung is among hundreds of political prisoners who have been pardoned since Slorc's amnesty Declaration No 11/92 on April 24.

He was arrested on Oct 10, 1991 fo his strong criticism of Slorc's killing and torture of Karen civilians in the Irrawaddy Delta.

He said after his release from jail he was followed by Burmese Military Intelligence and placed under surveillance.

He fled Rangoon in early September and arrived at the Karen anti-government headquarters in Manerplaw on the Thai-Burmese border nearly two weeks later.

Mahn Nyunt Muang was general secretary of the Union Karen League until it merged with the League for Democracy and Peace of former prime minister U Nu.

Anti-Rangoon Groups Contest Junta Announcements

BK1811040392 Bangkok THE NATION in English 18 Oct 92 p A4

[Text] Anti-Rangoon ethnic Kachin and Karen guerrillas have dismissed as lies the Burmese junta's announcement of arms suspension and casualty figures for the April-November military offensives.

They said Rangoon had suffered a much higher toll in fatalities and injuries, but is still determined to resolve the ethnic conflicts through war and not by peaceful political means.

The Kachin Independence Organization [KIO] and the Karen National Union [KNU] which are the two largest anti-Rangoon ethnic movements, have accused the ruling State Law and Order Restoration Council of insincerity in announcing a suspension of military operations in April and October.

They said field reports have confirmed that the Burmese Army has continued to wage war against armed ethnic minorities.

On Oct 6, one day after Burmese Foreign Minister U Ohn Gyaw made the cease-fire announcement before the UN General Assembly, Burmese troops overran the KNU's Saw Tha camp on the Salween River, about 100 km north of their headquarters of Manerplaw, and attacked the Kachin Independence Army's 251th [as published] mobile battalion led by 2nd Lieutenant Brang Nu near the Mogaung township.

Aik Yi and Brang Mai of KIA's [Kachin Independence Army] 12th battalion in Shwegu District were captured and shot dead on Oct 26, two days after the Burmese Army's 69th Regiment overran their base, according to Seng Raw of the KIO Information Department.

Te Tong and Aik Tu, two members of the All Burma Students' Democratic Front were also executed on Oct 31 after the Burmese Army's 18th Regiment caught them in Mohnyin.

Kyaw Win, a member of the National League for Democracy who was apprehended along with Aik Tu, was executed on Nov 5 by the Burmese Army's 18th Regiment after being forced to list KIA military locations, said Seng Raw. The 18th Regiment also ambushed KIA's 5th battalion on the same day, killing one Kachin corporal and one Kachin trooper, she added.

Both KIO and KNU have rejected the casualty figures released by Rangoon on Nov 11 saying the Burmese Army had suffered severe losses during the past eight months' operations against them.

KNU President Gen Bo Mya and Seng Raw have rejected the Slorc's claim that only 168 government troops were killed and about 262 wounded between April and Nov 6 while a total of 526 Karen and other ethnic guerillas were killed and 909 wounded.

According to Bo Mya, over 500 Burmese troops were killed and more than 400 wounded during the stated period while the KNU lost about 30 soldiers.

In Kachin State, the KIA managed to recover 70 bodies of the 360 Burmese troops killed between between June 5 and July 2, said Seng Raw. She said over 700 Burmese troops were wounded during the same period and 32 were captured alive and released afterwards.

Bo Mya said although the Karen are engaged in an armed struggle, they have not ruled out peace dialogues.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Against U.S. Interference in Spratlys

BK1811134792 Kuala Lumpur BERITA HARIAN in Malay 13 Nov 92 p 2

[Text] Kuala Lumpur, Thursday—Datuk Sri Dr. Mahathir Mohamed says that any U.S. interference in claims to the Spratlys will undermine efforts to settle the issue through negotiations involving the claimant countries.

"We have agreed that the issue must be settled through negotiations. I think that such negotiations will be undermined if the United States interferes.

"I don't know whether or not the statement was true," he told newsmen after inaugurating the first and second phases of the paper plant Genting Sanyen (M) Private Limited in Kuala Langat today.

The prime minister was asked to comment on the statement by Philippine Foreign Affairs Undersecretary Tomas Syquia in Manila yesterday that the United States was responsible for defending the Philippines if the Spratlys, which it claimed, came under attack.

Meanwhile, Foreign Minister Abdullah Ahmad Badawi said that any U.S. action with regard to the Spratlys, which are claimed by six countries, should be within the principles of the ASEAN Declaration on the South China Sea.

The principles stipulate, among other things, that any problems or disputes resulting from the overlapping claims to the Spratlys must be settled through negotiations.

"We hope that the United States or any parties will respect the declaration in dealing with the claims to the islands," he told newsmen after receiving a courtesy call from his Chilean counterpart Enrique Silva Cimma here today.

Sabah Invites UK, UN To Chair Debate

BK1711154792 Hong Kong AFP in English 0954 GMT 17 Nov 92

[Text] Kota Kinabalu, Malaysia, Nov 17 (AFP)—Opposition-led Sabah has suggested that Britain or the United Nations chair a televised debate on Malaysia's plans to reduce the eastern state's special powers, press reports said Tuesday.

"We must be selective on the chairman for this discussion and if need be, we should invite a British or a U.N. representative," Chief Minister Joseph Pairin Kitingan was quoting as saying.

Kitingan also said the debate should be between the state government of Sabah, once a British-ruled territory, and the federal government, and should not involve political parties as suggested by the United Malays National Organisation (UMNO). UMNO, led by Malaysian Prime Minister Mahathir Mohamad, is the dominant party in the ruling National Front coalition.

UMNO proposed the debate following Kitingan's call for a referendum in Sabah to decide whether the power of the oil- and timber-rich state on Borneo island should be curtailed.

The special powers, including autonomy over immigration, were contained in a 20-point document drafted by Sabah and Sarawak leaders before agreeing to join the Federation of Malaysia in 1963.

Kitingan said the people of Sabah joined the federation "with their rights clearly spelt out in the agreement, which must therefore be respected."

In Kuala Lumpur, Malaysian opposition leader Lim Kit Siang said in a statement that any review of the 20-point agreement should involve all interested organisations and citizens, and be conducted "in an open and democratic manner."

Lim proposed that the federal government and the Sabah and Sarawak state governments establish a panel to decide how the review should be conducted.

UNSC Urged To Provide Bosnians Safe Havens

BK1411075292 Kuala Lumpur Voice of Malaysia in English 0600 GMT 14 Nov 92

[Text] Malaysia has called on the United Nations Security Council to create safe havens, no-fire zones and land corridors in war-torn Bosnia-Hercegovina.

Its permanent representative to the United Nations, Tan Sri Razali Ismail, said these should be set up on an emergency basis within the framework of UN protected areas. He also said that the council should follow up on the London peace accords and closed Serbian concentration camps and settle the released Bosnians temporarily in these safe havens. Tan Sri Razali was addressing the UN Security Council meeting on the situation in Bosnia.

He also said Malaysia was prepared to seriously consider assisting the UN in its effort to bring about peace to Bosnia-Hercegovina provided Kuala Lumpur receives a request from the world body. Malaysia has said it would also join Turkey and other Organization of Islamic Conference, OIC, members to help the council to immediately lift the arms embargo on Bosnia and restore the right to self-defense to them under the UN Charter.

Commentary Views Mahathir's Visit to Namibia

BK1711154092 Kuala Lumpur Voice of Malaysia in English 0800 GMT 17 Nov 92

[Station commentary]

[Text] The current visit by Prime Minister Datuk Sri Dr. Mahathir Mohamed to Namibia is to reciprocate its president's visit to Malaysia only recently. The move reflects Malaysia's sincerity in not only enhancing bilateral links, but also deepening South-South cooperation. Uganda and Namibia only gained independence in March 1990 and striving to boost its socioeconomic status, there is much that Malaysian businessmen can consider in the way of investment.

The former British colony has (?enormous) mineral resources like uranium, diamond, copper, and tin. This is an area Malaysian investors are already examining closely—(?mutual) given Malaysia's mining expertise.

Senior officials of Malaysia Mining Corporation, the country's largest mining firm, are in Dr. Mahathir's delegation in Namibia. While there, they will look into the possibility of imparting their mining expertise and technology, accrued by [word indistinct] in the sector abroad. In this way, there is mutual benefit to be gained by both the Malaysian and Namibian parties. Other areas promising economic potential are agriculture and fishing.

To cap the prime minister's visit, a technical and economic agreement will be signed on November 20th. The pact can only be seen as moving bilateral trade links to a much higher and more meaningful level.

Namibia, learning from Malaysia, has adopted a practical approach in taking steps to consolidate its economy by way of attracting foreign investment. To this end, it has sought the help of the Malaysian Investment Development Authority, MIDA, in developing its growing manufacturing sector.

Impressed with Malaysia's success in boosting foreign investment, it is seeking technical know-how from Malaysia to set up an investment center in the country. Like Malaysia, it realizes the fact that political freedom is meaningless if it is not linked up with economic independence.

Sadly, the majority of African states, despite having struggled to achieve independence, have now fallen into economic despair. Perhaps Namibia will show a better way for Africans to emulate. This is vital in efforts to consolidate the South-South position, meaning which, they will have better bargaining position when negotiating with the North in just about everything.

With developing economies, most South countries are vulnerable to the changes in the global, political, and economic arena. Various forms of nontariff barriers and linkages of trade to the environment are worrisome developments. Having open economies, both Malaysia and Namibia's external trade could be seriously affected. Therefore, there is an urgent need to forge a new global consensus and commitment to strengthen international economic cooperation.

Also, being members of the Nonaligned Movement, NAM, Malaysia and Namibia understand the need for the organization to be united and vibrant in order to contribute to a just world order.

While the respective governments have made firm commitments to enhance economic linkages, it is now up to the private sector to follow up and exploit whatever economic opportunities exist in both countries. This will surely lead to increased investment, market diversification, and in the process reinforce both the economies of Malaysia and Namibia. It is only through concrete economic linkages can South-South countries play a more meaningful role in global issues. The South cannot be ignored anymore by the North countries. By coming together strongly, they will not only be voicing out their legitimate rights, but will be doing so with a much louder voice.

Minister Briefs Parliament on National Forest Area

BK1711102092 Kuala Lumpur BERNAMA in English 0848 GMT 17 Nov 92

[Text] Kuala Lumpur, Nov 17 (OANA-BERNAMA)—Malaysia still has 19.4 million hectares of forest of which

about 72 percent or 14.1 million hectares are permanent forest reserve, the Dewan Rakyat (Lower House) was told Tuesday.

Deputy Primary Industries Minister Tengku Mahmud Mansor said that of the 14.1 million hectares permanent forest reserve, 11.2 million hectares were production forest, while 2.9 million hectares protected forest.

Of the 2.2 million hectares of Malay reserve land, 1.2 million hectares such as in Kelantan, Perak, and Perlis were still covered with forest.

He said that for Orang Asli (aborigines) reserve, 11,259.6 hectares were still covered with forest such as in Johor, Kelantan, and Perak while in Sarawak, communal forest covered 5,660 hectares.

Tengku Mahmud said the last National Forestry Council conference identified about 1.37 million hectares in peninsular Malaysia as water catchment area.

Singapore

Economic Growth at 5.6 Percent in Third Quarter

BK1511070692 Singapore THE STRAITS TIMES in English 14 Nov 92 p 1

[By Chan Hwa Loon and Phua Kok Kim]

[Text] The Singapore economy picked up in the third quarter, with growth at a higher-than expected 5.6 percent.

And the pace is expected to quicken to an even faster rate of over 6 percent in the last three months to push gross domestic product (GDP) expansion for the whole year to 5.5 percent.

This would put the annual rate at the top end of the official forecast of 4.5-5.5 percent made in August.

The current momentum is also expected to carry over into next year when the forecast for 1993 is 6 percent growth.

Announcing the latest data in its Third Quarter Economic Survey yesterday, the Ministry of Trade and Industry (MTI) said that expansion in the July-September period was broad-based, with faster growth seen in three main sectors of manufacturing, financial and business services, and commerce.

This was unlike the first two quarters where chiefly construction had shone.

"If (next year's) growth forecast can be sustained, it means that the economy, which has been overheated since its dramatic rebound from the 1986 recession, would have successfully soft landed by 1993," said the ministry.

A MTI spokesman added: "We are happy in a way to see the phenomenon of a soft landing despite the fact that the international economy has not performed very well."

He said that such a soft landing would put the Singapore economy on track for long-term sustainable growth of 4-6 percent annually.

The third quarter growth was due mainly to a 4.3 percent rise in overseas demand for Singapore's goods and services. This came on the back of a 9.6 percent rise in non-oil domestic exports.

The spokesman said that MTI's preliminary projection of 6 percent economic growth for next year was based on expectations of a "moderate improvement" in global economic conditions.

Yesterday's press briefing was unusual in that it was called at 8 am, with the first newsflash being made over radio at the same time. Previously, the briefings were usually held after the local stock market had closed for the day.

The spokesman said that the morning briefing would be MTI's practice from now on as it wants the quarterly economic data to be released before the 9.30 am start of market trading.

The Straits Times Industrials Index yesterday went up more than 8 points in the first 15 minutes of trading to a high of 1450.01 points, but then eased back to 1445.26 points a half hour later with 23.5 million shares traded.

It eased further through the rest of the day closing just 5.77 points higher at 1446.80.

Dealers said the market had basically discounted the good economic figures and was engrossed in undergoing a consolidation phase.

Businessmen and analysts contacted yesterday said that the third quarter figures were encouraging and would help restore busines confidence.

"It's very good news," said Mr. Graham Hayward, executive director of the Singapore Internationa Chamber of Commerce. He was particularly encouraged to see the manufacturing sector "coming alive" after a string of dull performances in previous quarters.

But Mr. Robert Chua, president of the Singapore Manufacturers Association said that the strong growth in the electronics industry, which helped boost the manufacturing sector, masked the low or negative growth in other industries.

"This calls for cautious optimism and strong government support to lift the manufacturing sector out of its poor economic performance," he added.

Mr. Tan Ee Khoon, senior research analyst at Summit Securities, said the third quarter "certainly brings great

cheer and is better than expected." But he expressed the need for caution as the world economic outlook was still uncertain.

This sense of uncertainty was also reflected in the latest surveys on business expectations by the Economic Development Board and the Department of Statistics.

The surveys showed that both industrialists and businessmen were more unsure about business prospects for the next six months (until end-March) than in the previous quarter.

But the MTI spokesman noted that the surveys were conducted in August when there was greater external uncertainty, especially over the outcome of the American presidential election.

One of the star performers in the quarter was the electronics industry whose strong expansion helped the manufacturing sector to continue its recovery and achieve growth of 2.3 percent.

Another was the financial services sector, which grew by a sturdy 5.8 percent, thanks to a strong increase in offshore loans and foreign exchange turnover.

Faster growth in entrepot and domestic trade raised the commerce sector's growth to 2.1 percent from 1.4 percent in the second quarter.

Inflation looked set to be capped at below 2.5 percent for this year, down significantly from 3.4 percent last year.

Productivity also rose significantly by 3.3 percent from 1.6 percent in the previous quarters, with manufacturing productivity growth staging the biggest improvement to 4.2 percent.

Cambodia

Khieu Sampan Interviewed on Aims, Peace Process

BK1811125192 Jakarta TEMPO in Indonesian 7 Nov 92 pp 85, 86

["Excerpts" of interview by TEMPO correspondent Yuli Ismartono with Democratic Kampuchea Faction leader Khieu Samphan in Phnom Penh—date not given]

[Text] [Ismartono] Recently the UN Security Council adopted a resolution that the proposed elections in Cambodia would proceed as planned even though the Democratic Kampuchea faction had refused to participate in the peace process. What are your comments?

[Khieu Samphan] The aim of our people's struggle is to seek the withdrawal of Vietnamese troops from Cambodia, so that our nation can be liberated and a reunification is achieved. We want a Cambodia that adopts liberal democracy and practices a free market economy. The terms are clearly stated under the Paris accord.

Two institutions have been set up to implement the terms of the accord: the UN Transitional Authority in Cambodia [UNTAC] and the Supreme National Council [SNC]. These two institutions are expected to work together, particularly in overseeing and verifying the withdrawal of the Vietnamese troops from Cambodia. The truth is that there is no effective cooperation between these two institutions. What exists now is the cooperation between the transitional administration and the Vietnamese-installed Phnom Penh regime (Hun Sen). They cogovern the country, especially their secret agents. Now they are forcing us to disarm to allow the proposed elections to go ahead as scheduled. This means that we have to abandon our struggle, and on the other hand they are wishing for Vietnam to occupy Cambodia. We cannot accept this. We will not participate in such elections.

[Ismartono] According to the commander of the UN peacekeeping force, you never gave any response when asked to provide evidence to your claim that troops from the Vietnamese force remained inside Cambodia. Where are the Vietnamese forces located and how many of them are there?

[Khieu Samphan] There should be close cooperation between the UNTAC and the SNC in overseeing and verifying the withdrawal of the Vietnamese troops from Cambodia. When the tasks have been carried out, the residents will reveal where the Vietnamese forces are located. But now the residents are afraid to speak about it because they are being threatened by the regime. Vietnam is making use of the Phnom Penh regime to silence the Cambodian people but the UNTAC accepts the situation and says it has found no evidence of the presence of the Vietnamese forces.

Therefore how would the UNTAC be able to monitor the presence of the Vietnamese military forces? If this situation continues to remain the same, the UN's efforts to restore peace in Cambodia will fail. We are not the cause of the failure, but it is due to the absence of any peace efforts in Cambodia.

Besides, there is the issue concerning Vietnamese migrants. When they came to Cambodia, they seized land and agricultural farms that belonged to local villagers. We, as Cambodians, obviously cannot accept this. Nationalism is not the only basis that the people fight for; they also fight over problems that involve their livelihood. The local people are also interested in owning land and farms. Historically, the Cambodians have long harbored a resentment of the Vietnamese. Some have even suspected that the impact of this long-standing resentment may one day get out of control. Once, an American ambassador to Cambodia expressed his fear that a bad dream would come true: seeing corpses of Vietnamese people floating in the Mekong River.

[Ismartono] Could it be possible that the Vietnamese civilians are actually soldiers?

[Khieu Samphan] It is like this: the British deputy foreign minister who visited Phnom Penh recently said that Vietnam has no more ambition to colonize Cambodia because it is facing its own domestic problems. He said that Vietnam is in dire need for grants and capital. He cited Vietnam's willingness to accept its Hong Kong-based refugees that have to be repatriated as an example. However, the problem in Cambodia is not the same. The Vietnamese troops remain inside Cambodia by extending their stay through the Phnom Penh regime. It is the Vietnamese secret agents that are controlling the Cambodian secret agents while simulataneously being in charge of the armed forces. The Vietnamese migrants are dispatched by Hanoi within the framework of vietnamization of Cambodia. In other words, Hanoi is sending its citizens to seize land that belong to the Cambodian people. Yes, they are part of the Vietnamese troops that are occupying Cambodia.

However, as a compromise, we are willing to settle the migration problem at an appropriate time. We can negotiate with Hanoi on ways to repatriate the Vietnamese people after the formation of a new government in Cambodia. What remains a prevailing problem is the continuing flow of fresh migrants from Vietnam. This is a clear violation of the the Paris accord; yet the UNTAC has done nothing to stop it.

Then, here is another issue. The Vietnamese migrants are given Cambodian citizenship by the Phnom Penh regime. Thus they have the right to vote in the coming elections. This is another violation of the peace accord. I would like to reaffirm that there are Vietnamese soldiers in civilian clothes among the migrants. Under such a situation, would it be possible to implement fair elections?

[Ismartono] So what do you propose to break the impasse?

[Khieu Samphan] A political settlement is necessary. The SNC should be given more power. If the UNTAC and the Phnom Penh regime refuse to agree to this, then the issue can never be resolved. The UN should force Phnom Penh to accept the term. We were denied participation at the Tokyo meeting in June 1989. There were certain groups that proposed to elect Hun Sen to be the prime minister and Sihanouk as the president. It looks like this formula is still taking effect.

[Ismartono] Do you think the UNTAC is weak and blame it for siding with the Phnom Penh regime?

[Khieu Samphan] Frankly, it seems that the only available alternatives are either to end the Vietnamese occupation of Cambodia or annihilate the Khmer Rouge.

We have never intented returning to power. We do not have the capability to return to power. We just want a Cambodian nation with a liberal political policy and a multiparty system. However, an independent and strong Cambodia will probably not be recognized by the West because of the inclusion of the Khmer Rouge in it. The British deputy foreign minister said that I have too many worries. But the main factor is we cannot accept the presence of the Vietnamese in Cambodia.

In view of this, there are two alternatives to be considered in seeking a political settlement to the problem: to implement the Paris accord together with the four Cambodian factions, or with the participation of one faction only. If the answer is that the peace process will proceed with the participation of one faction only, then peace will never be restored in Cambodia.

[Ismartono] Are you not afraid of being isolated by the national and international communities if the Democratic Kampuchea faction refused to participate in the planned elections?

[Khieu Samphan] If the elections are held just as a formality to offer Cambodia to Vietnam, then this is a very dangerous game for our nation. I am confident that the Cambodian people are backing us.

[Ismartono] The Khmer Rouge have been accused of carrying out several disturbing operations such as blowing up bridges and kidnapping eight Vietnamese citizens.

[Khieu Samphan] We have already protested against the accusations. But we never imagined that, after the Paris Accord, we would be fighting with the Vietnamese troops. Now the time has come for the launching of a dry season military offensive, and we know that the Vietnamese troops have started attacking our fighters. We have to be prepared.

Hor Namhong Views Cambodian Deadlock 13 Nov

BK1811055192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 17 Nov 92

[Interview with Foreign Minister Hor Namhong by unidentified correspondent of the French magazine LE POINT on 13 November—read by announcer]

[Text] [Correspondent] What is the progress of implementing the Paris accord?

[Hor Namhong] A meeting between the Supreme National Council [SNC] and the Paris conference cochairmen ended futilely. We, the State of Cambodia [SOC] side, were not surprised at all. However, we think that the meeting was, all the same, useful because some issues have been cleared up.

We always say that the Khmer Rouge have not respected but breached the Paris peace accord, but people mostly do not believe us. Now, the Khmer Rouge themselves said at the Beijing meeting that they have not implemented the second phase of the cease-fire and will not

take part in the upcoming elections. As such, the UN Security Council [UNSC] and the signatory countries should go ahead, meaning they should organize the elections next year with or without the participation of the Khmer Rouge. As for us, we think that the Khmer Rouge will not join the elections. If this is the case, what are the problems we will face? And will the Khmer Rouge let the elections take place peacefully or will they upset them? In my opinion, the Khmer Rouge will certainly not let us organize the elections smoothly. Apparently, they are currently preparing to launch dry-season offensive attacks. They have shelled posts of UNTAC [United Nations Transitional Authority in Cambodia] and shot at its helicopters.

[Correspondent] What advantages have the Khmer Rouge reaped?

[Hor Namhong] I would like to say that the Khmer Rouge have not only not respected the accord, but they have also used exploitation to reap benefits. And while we are respecting the accord by regrouping and demobilizing our troops, they are taking advantage of the opportunity to expand their occupied territories. In fact, since the signing of the Paris accord, we have lost some of our territories. So in the current transitional period, I think that the following three possibilities will surface:

1. The Khmer Rouge will militarily disturb the elections;
2. The Khmer Rouge will mount large-scale attacks against UNTAC disregarding the UNSC's resolutions; and
3. Until holding the election for a constituent assembly and the formation of a new government, the Khmer Rouge will introduce guerrilla warfare to expand their territories by seizing more villages and communes.

[Correspondent] Does this mean the Khmer Rouge's strategy remains unchanged?

[Hor Namhong] The Khmer Rouge have not changed their strategy in the least. Their strategy's main objective is to retake power via all possible means.

[Correspondent] I have heard that the Khmer Rouge have sent their elements to Phnom Penh for the purpose of wooing youngsters. Is this true?

[Hor Namhong] With the Paris accord, the Khmer Rouge are able to legally enter SOC-controlled regions across the country. They do not need to infiltrate. We should neither overestimate the Khmer Rouge strength nor underestimate their capability of causing destruction. However, should the Khmer Rouge launch large-scale offensive attacks, we would not need foreign troops except for materiel assistance. So in such a situation, what should we do? I believe that sanctions against the Khmer Rouge are indispensable because the punishment can reduce the vitally important sources of their income from exporting gems and timber to be used to carry on war. Therefore, cutting off the source of the Khmer Rouge income is the last resort to forcing the group to return to the peace accord.

[Correspondent] Can concrete sanctions be possible?

[Hor Namhong] I realize that sealing the border thoroughly is not possible. However, the closure constitutes an essential fundamental law to control exporting gems and logs and importing gas. We have received guarantees from the Thai prime minister and foreign minister that Thailand will support the sanctions and cooperate with the United Nations.

[Correspondent] Does the Paris accord need to be completely amended?

[Hor Namhong] The elections can be held without the Khmer Rouge's participation by adjusting UNTAC's mandate, such as:

1. Imposing sanctions on the Khmer Rouge;
2. Creating all favorable measures for UNTAC to prevent the Khmer Rouge from further violating the accord and upsetting future elections; and
3. Putting an end to regrouping and demobilizing the other parties' troops.

[Correspondent] Is China continuing to back the Khmer Rouge?

[Hor Namhong] I think that China is no longer supporting the Khmer Rouge—the latter are now isolated. Anyway, they do not care—they continue to proceed. As such, the international community should be aware of the Khmer Rouge's strategy of retaking power through all possible means to commit another genocide in Cambodia. I have read an article in BANGKOK POST saying that UNTAC has forgotten its main objective of protecting the people's lives.

[Correspondent] Please tell me about the control and verification of the SOC's five main ministries.

[Hor Namhong] We should realize that concretely there is an imbalance in the Paris accord itself and in the implementation of the accord. One party has executed the accord 100 percent and has even done more than what the accord has required by providing UNTAC free of charge with buildings and garrisons that we built or repaired with a lot of money, while one party is violating the accord and others are only implementing it partly. In some areas, UNTAC has acted beyond its mandate—it has disarmed troops as well as police forces in some districts. And in control and verification in some other areas, UNTAC has acted outside the accord. However, we have already successively resolved these problems.

[Correspondent] Why does the SOC propose a presidential election ahead of general elections?

[Hor Namhong] That is a good question. Availing myself of this opportunity, I would like to thank France for its understanding and support of the proposal. In the face of instability and insecurity caused by the Khmer Rouge, we need a personality who is widely respected and recognized and elected by Cambodians to deal with a

hazardous situation. Moreover, after the legislative election, it is not certain that stability will prevail, and by that time, if a president does not exist, who will then cope with a possibly chaotic situation? Therefore, this is a political issue and something that is caused by the Khmer Rouge now and in the future.

Council of Ministers Officials Speak at Briefing

BK1711133592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 17 Nov 92

[Text] On the morning of 17 November at an international hotel, Uch Kim-an, deputy minister of the Council of Ministers office and spokesman of the State of Cambodia [SOC] Government; and General Pan Thai, adviser to the SOC Council of Ministers, held a news conference to disseminate information on a number of new developments concerning the implementation of the peace agreement in Cambodia with the participation of many local and foreign reporters.

At this news conference Uch Kim-an talked about the special session of the Supreme National Council [SNC] in Beijing under the chairmanship of His Royal Highness Prince Norodom Sihanouk, Cambodia's head of state and SNC chairman. However, this meeting was no different from previous sessions because the Khmer Rouge side used the same words; the meeting thus failed to achieve any results.

He further said that after the meeting, His Excellency Hun Sen, SNC member and chairman of the SOC Council of Ministers, met with Thai leaders in Bangkok to discuss cooperation between the two countries, Cambodia and Thailand, in imposing economic sanctions against the Khmer Rouge. At the talks, the Thai leaders pledged to cooperate with the SOC. The Kingdom of Thailand is waiting to implement whatever decision the UN Security Council [UNSC] makes.

Also speaking on this occasion, General Pan Thai talked about a number of military developments, particularly the Khmer Rouge plan to launch an offensive against the SOC in the dry season. The general further said that the Khmer Rouge still refuse to implement the peace agreement and have instead intensified military activities to attack our SOC.

This news conference ended after the SOC Government spokesman clarified and answered in detail questions from the local and foreign media.

FUNCINPEC Office in Battambang Bombed

BK1811112092 Hong Kong AFP in English 1110 GMT 18 Nov 92

[Text] Phnom Penh, Nov 18 (AFP)—Grenade explosions ripped through the office of a political party opposing the Phnom Penh regime in the northwestern city of Battambang on Wednesday, injuring eight party workers, some of them seriously, U.N. and party spokesmen said.

Unidentified attackers threw two grenades into the office of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]—the party loyal to Prince Norodom Sihanouk—about 1:30 A.M., injuring eight people sleeping inside, U.N. spokesman Eric Falt said. Some of the people received serious head wounds, he said.

A FUNCINPEC party spokesman said the office would remain open despite heavy damage. "We can still continue to work," he said.

Falt said the attack was preceded by an explosion on Monday morning at a restaurant owned by a FUNCINPEC party member just outside Battambang. Four civilians were lightly injured, including a Cambodian woman doing voter registration for the United Nations, he said.

In the attack on the party office, one grenade was thrown from about 150 meters (yards) in front, while another was thrown a few seconds later from behind, the FUNCINPEC spokesman said.

"We don't know who is responsible," he said.

Falt said the United Nation had sent a special police investigation team to the province. The attack on FUNCINPEC's Battambang office was the second so far.

Last month, Phnom Penh army officials swaggered in brandishing guns and threatened to shoot party workers, but they were disuaded by U.N. civilian police officers who happened to be in the office at the time, U.N. officials said. FUNCINPEC workers in several provinces have complained to U.N. peacekeepers of intimidation from the Phnom Penh government.

Defense Minister Talks With UNTAC General

BK1811140192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 18 Nov 92

[Text] Recently at the office of the military foreign relations, His Excellency [H.E.] General Tie Banh, standing committee of the Cambodian People's Party Central Committee, vice chairman of the Council of Ministers, and defense minister, met with Lieutenant General John Sanderson, UNTAC [UN Transitional Authority in Cambodia] military commander, to discuss a number of situations relating to the implementation of the agreement.

On this occasion H.E. Gen. Tie Banh said that in the process to find peace for the Cambodian people, the State of Cambodia [SOC] side has correctly implemented the agreement. In the second phase of the cease-fire, the SOC has paid attention to creating favorable conditions for the control of the disarming process.

A number of troops have been allowed to temporarily return to civilian life in their localities; the remaining troops have been cantoned under UNTAC supervision.

The Khmer Rouge have discarded the agreement and intensified military activities against the SOC, as for example in Kompong Thom, Kompong Cham, Siem Reap-Oddar Meanchey Provinces, and the Tonle Sap area. Gen. Tie Banh further said that although the peace process is facing complexities, the SOC is continuing to implement the agreement, particularly issues relating to cooperation in order to ensure security and order in the forthcoming elections.

Replying, Lt. Gen. John Sanderson welcomed and praised the SOC for paying attention to a sound implementation of the Cambodian peace agreement. The general further affirmed that during next year's elections, as UNTAC military commander, he will deploy UNTAC military personnel to take part in ensuring security and to enable the election to proceed successfully.

Philippines

AFP, Navy Chiefs Depart for Australia 14 Nov

HK1411032492 Manila DZXL Radio Mindanao Network in Tagalog 0225 GMT 14 Nov 92

[Text] General Lisandro C. Abadia, Armed Forces of the Philippines [AFP] chief, is scheduled to depart for Australia tonight on invitation by the Australian Armed Forces, which sought coordination with the AFP's leadership regarding the regular regional consultation on security for the Asia-Pacific region.

Accompanying General Abadia is Vice Admiral Mariano Dumancas, Philippine Navy flag officer-in-command. They will look into the Australian Government's offer of new supply ships for the Philippine Navy modernization program.

Abadia and Dumancas will fly by a Qantas plane from Villamor Air Base at about 1900 tonight.

PRC Businessmen Interested in Energy Projects

HK1611062692 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 15 Nov 92

[Text] A group of Chinese businessmen have expressed interest in investing $1 billion in the country's energy projects. Reports indicate the business group is particularly interested in geothermal energy projects.

The party met with President Fidel V. Ramos at Malacanang and discussed areas of investment open to Chinese. The delegation was headed by the assistant managing director of the China Merchants Shoku Industrial Zone, one of the largest industrial zones in China.

Foreign Secretary Romulo Views Vietnam's Society

HK1811045292 Manila MANILA BULLETIN in English 18 Nov 92 p 8

[Report by Javier M. Marquez]

[Excerpt] A Philippine delegation to Vietnam, pleased with Hanoi's open-door policy after two decades of isolation, has agreed to enhance political and economic cooperation between the two countries.

Visiting Vietnam for three days at the invitation of Foreign Minister Nguyen Manh Cam, the 20-man trade mission headed by Foreign Secretary Roberto Romulo, appeared convinced that this Asian communist state is a closed society no more.

Western observers have, however, a different view of the Vietnam situation. They said that although Vietnam has opened its doors to the free world, embracing the capitalist way of free market economy, it still is clinging to its socialist ways.

In their view, privatization in Vietnam is proceeding more slowly and painfully.

The Romulo mission held talks with Vietnamese officials for possible trade agreements in line with President Ramos' policy of strengthening ties with the Asian neighbors.

The Vietnam trip, according to Romulo, was "a good example of South-to-South cooperation" aimed at promoting economic development and stability in Southeast Asia. [passage omitted]

Ramos Approves Sale of Lands for Conversion Plan

HK1811025092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 17 Nov 92

[Text] President Fidel Ramos has approved a recommendation to sell the public lands covered by six military camps in Metro Manila. These include two hectares [ha] in Camp Claudio; five ha in Camp Bago Bantay; 10 in the pilot housing project in Fort Bonifacio; 96 in the Herigate Park in Fort Bonifacio; 2.7 of the unused area in Villamor Air Base; and another portion of the Joint U.S. Military Advisory Group compound.

The sale of the lands was recommended by the Bases Conversion Authority. The proceeds from the sale will be used for the conversion of the former U.S. military bases into industrial zones.

Ramos on Oil, Power Corporation Privatization

HK1811051092 Manila MANILA STANDARD in English 18 Nov 92 p 3

[Report by Marichu A. Villanueva]

[Text] President Ramos yesterday gave his go-signal for the proposed sale to the private sector of the two state-owned firms—the Philippine National Oil Co. (PNOC) and the National Power Corp. (Napocor).

The President also approved the eventual deregulation of the local oil industry based on the energy sector action plan submitted to him and the Cabinet by the Energy Coordinating Council (ECC).

ECC chairman Delfin Lazaro, concurrently the board chairman of Napocor, presented these set of recommendations during the regular board meeting of the National Economic Development Authority (NEDA) at the Palace yesterday.

Briefing newsmen after the NEDA board meeting, Presidential spokeswoman Annabelle Tecson-Abaya announced that Mr. Ramos "fully supports" the recommendations forwarded by the ECC for consideration of the President and Cabinet.

Lazaro informed the President and Cabinet that the energy sector action plan shall be submitted next month to the World Bank-International Monetary Fund (WB-IMF) as one of the requirements in the energy sector loan the Philippine government is seeking from these two international financial institutions.

Under this plan, Lazaro said, the local oil industry will undergo a phased deregulation which will culminate in the "fuel decontrol of oil prices by 1996."

The plan also called for the deregulation of the fuel dealership activities by March, 1993, setting of maximum oil industry rate of returns by June, 1993, and the removal of "Inter-fuel subsidies" by the Energy Regulatory Board (ERB) by August, 1993.

Last month, the President announced the government plans to sell to the private sector the provincial power plants of Napocor in line with his administration's privatization thrust.

The PNOC operates Petron and is one of the three oil companies operating as competitor of two multinational oil firms, Shell and Caltex.

Additionally, Abaya said the government's energy sector plan seeks:

—More efficient approval system for energy projects;
—Institutionalization of energy conservation projects to be led by government;
—Coal import liberalization by 1994;
—Presidential endorsement of a proposed geothermal law as well as legislation for improved incentives for oil and natural gas explorations; and,
—The operation of the Department of Energy by December, 1992.

Abaya said the Executive Branch will certainly conduct consultations with Congress before undertaking the proposed privatization of the PNOC, Napocor and rural electric cooperatives (RECs).

Earlier, NEDA director-general Cielito Nabito expressed his objections to the proposed privatization of the PNOC.

Nabito pointed out that the government must maintain its presence in a very sensitive industry such as oil in view of its economic and political importance to an oil-dependent country such as the Philippines.

Ramos Emphasizes Reforms in Administration

HK1811073692 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 18 Nov 92

[Excerpt] There have been many big mistakes in the way the country has been governed since it gained independence from foreign colonizers. This was emphasized by President Ramos during the opening of the National Security Council [NSC] meeting.

The president said that, historically, the Philippines has been too concerned with internal matters, and has disregarded the changes in the global community. He condemned the rampant politicking in the country, which, according to him, is one of the reasons why the Philippine economy is lagging behind the economies of its other southeast Asian neighbors.

Ramos called on the NSC delegates to develop ways of improving the country's diplomatic system and relations with other countries.

The president convened the meeting to discuss possible solutions to the problems of the country, specifically the energy crisis and the ongoing peace process. [passage omitted]

PAF Chief: Forces Too Weak To Defend Country

HK1611104192 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 16 Nov 92

[Text] Major General Leopoldo Acut, Philippine Air Force [PAF] chief, has admitted that the PAF is not strong enough to defend the country from an invasion of foreign fighter jets. General Acut was the guest of honor this morning at the 40th anniversary celebration of the 580th Air Craft Control and Warning Wing held at Wallace Air Station, Poro Point, San Fernando, La Union.

In his speech, Acut acknowledged the fact that the PAF fleet is obsolete and its planes are too few in number to engage in any form of confrontation with foreign forces. He said that the state of the Philippine Armed Forces' equipment in general pales in comparison with that of

our neighbors, especially our more progressive neighbors. Acut promised, however, that the PAF will do its best to fulfill its duty of protecting the country's territory from any foreign invasion.

Yorac: Formal Peace Talks 'May Begin' in Dec

HK1811025292 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 17 Nov 92

[Text] Formal peace talks may begin in December. National Unification Commission chairperson Haydee Yorac said she has spoken with rebel soldier Gregorio Honasan, who told her his comrades are ready to end their hostilities with the government. Yorac said topics for discussion in the talks—ending insurgency, secessionism, and other subversive actions damaging to the country's progress—are all ready.

Manila Negotiates for Release of Kidnaped Priest

HK1711014792 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 16 Nov 92

[Text] Government officials have been continuously negotiating with Muslim rebels in Basilan for the possible release of Augustine Frazczack, an American priest the rebels kidnaped and have been holding hostage since 12 October.

The kidnappers asked for P5 million [Philippine pesos] in exchange for the priest's release, but church officials and the Franciscan Order have said that they could not pay such a large amount to Frazczack's abductors, who are led by Commander Jian Jaquilam.

Thailand

Preparedness for Clinton Trade Measures Urged

BK1811032992 Bangkok THE NATION in English 18 Nov 92 p B3

[By Thitinan Pongsudhiwak]

[Text] Thailand should prepare itself to deal with the "eventual" ramifications of America's tougher trade measures coming from the President-elect Bill Clinton's administration, said Stapon Kawitanon, the secretary-general of the Board of Investment [BOI].

While many complaints have been voiced by the Thai business community regarding the detrimental effects stemming from tougher US trade policies, Stapon said there have been no concrete calculations as to which Thai products would be affected and how to deal with the resulting damage.

"We should start to weigh our economic interests," he said. "We have had only public outcry and complaints (on Clinton's stern trade posture), but no one has specified how exactly Thailand will be affected by tougher US policies, which could include the withdrawal of export benefits under the Generalized System of Preferences."

Trade relations between the US and Thailand have been under increasing strain in the last few years, due to persistent disputes on Thai protection of American intellectual property, among other issues, that have brought about the threat of US trade retaliation.

Stapon, in a luncheon address sponsored by the Rotary Club of Patumwan, pointed out that Thailand will not be alarmed if Clinton's policies divert American investment away from here. "The US invests only 0.4 per cent of its total foreign investment in Thailand and only 8 per cent in all of Asia, so we are not seriously concerned by reduced American investments," he said.

"The problem for us is that, if Clinton makes the US market tougher to get into, this will have spillover consequences for other countries like Japan and Taiwan who invest heavily here in producing goods that are exported to America," he said.

The US market in recent years has received nearly 25 per cent of Thailand's total exports, contributing to a growing trade surplus for this country. President-elect Clinton's triumph in the American election earlier this month was based considerably on campaign promises to rectify the US economy and its trade deficits with Asian nations and to restore American economic competitiveness.

Despite the widespread concern in Thailand and in nearby countries of the US president-elect's economic plans, the BOI chief held out the hope that "campaigning and taking action" may be entirely different, suggesting that Clinton may have talked tough on trade issues to gain votes but may not act as boldly once he assumed office.

Moreover, if tougher trade measures were to take effect, Clinton's hit list will likely be focused on 'northern' East Asian countries, such as Japan, South Korea and Taiwan, and be less consequential for Southeast Asia, according to Stapon.

Comparing the US economy to a sick person, Stapon said how much Thailand is affected by Clinton's policies will depend on the medicine the new American leader applies to his country's economy.

"If the medicine is strong, it will not just affect Thais, but will affect Americans as well because the decline in imported goods will cause the price of domestic goods to jump," he said, referring to the possible restriction on goods entering the US market.

Although Clinton's view on trade has been a cause of concern here, Stapon believes that in the end the US and Thailand will find a way to resolve their commercial disputes.

"I believe we will not see a trade war erupting that easily," Stapon said. "We should be ready to solve these disputes as much as possible. If we should not say that we won't budge because this will put us at a disadvantage [as published].

"If it is necessary to negotiate, then we should do so," he added. "Let's not have our politics make us look at (the bilateral trade conflicts) from just one side. If we can see the issues from both sides, then I believe we will be able to meet and bear the negative consequences.

Police Arrest Thai DEA Agent on Heroin Charges

BK1811043192 Bangkok BANGKOK POST in English 18 Nov 92 p 13

[Text] Chiang Mai—Police have arrested a Thai agent of the US Drug Enforcement Administration (DEA) on charges of heroin trafficking, police said yesterday.

Police said Vilas Jongrak, 40, was arrested here on Monday afternoon as he was about to hand over 350 grammes of heroin to a buyer.

The arrest was a blow to the DEA, police sources said. In his 10 years with the agency he had provided many tipoffs, they said.

A US Embassy spokeswoman in Bangkok confirmed the arrest and said the DEA was saddened by the incident but it was now a matter for the Thai courts to decide.

The DEA has a large office in Chiang Mai which is near the Golden Triangle from where most of the world's supply of heroin originates.

Minister Briefed on Drug Trade, Smuggling Routes

BK1311150392 Bangkok BAN MUANG in Thai 13 Nov 92 p 3

[Text] Police General Chawalit Yotmani, secretary general of the Office of the Narcotics Control Board [ONCB], stated during a briefing for Deputy Prime Minister Amnuai Wirawan who visited his office on 11 November that Burma remains the biggest narcotics producer in the Golden Triangle. He said the Burmese Government paid little attention to the drug trade because it is not an immediate problem for them. Burma is more concerned about its security problem stemming from its conflicts with ethnic minorities. The problem has left Burma without any time for suppressing drug trafficking. Besides, the drug trade is a reason for the fighting among ethnic minorities in Burma.

On Laos, Pol. Gen. Chawalit said Laos gave little attention to the drug problem in the past. Now that Laos has opened the country, the Lao Government has shifted its stance and cooperated with other countries in narcotics suppression. However, officials at local levels do not fully respond to government policy due to their interests in the drug trade. As it is known, Thai financiers have crossed into Laos and invested in marijuana plantations there. The crops are turned into compressed marijuana sticks and exported worldwide. Local Lao officials collect protection fees, land rental, and other fees. The marijuana products are mostly smuggled out to markets in Europe.

There are three major transit routes for the shipment. The first is from Laos to Vietnam where the narcotics are loaded onto ships. The second route is from Laos to Cambodia, particularly Koh Kong, then out to sea. The third is through smuggling by containers from Laos to the northeast of Thailand for shipment at ports in the Gulf of Thailand or Laem Chabang. Anyway, no significant arrests have been made because authorities are strict with checking and control. This is especially so now that the ONCB has an efficient intelligence system with a computer network which can gather fast and accurate information nationwide.

Bid To Extend Textile Agreement With EC Fails

BK1711012992 Bangkok THE NATION in English 17 Nov 92 p B1

[By Atchara Phongwutthitham]

[Text] Thailand failed to reach an agreement with the European Community over the extension of the bilateral textile agreement during last week's talks in Brussels.

The two sides failed to narrow their differences over the details in the proposed extension agreement, including the size of textile quota as well as the ceiling of export growth rate.

Director General of Foreign Trade Department Chare Chutharatkun described the conditions offered by EC as "unacceptable", adding that all details remained unchanged from the previous agreement. The Thai side proposed that the EC should provide more benefits for Thai exporters, if the Community wanted to extend the agreement.

Chare led the Thai delegation at the talks in Brussels on Nov 9-11.

He said that Thai officials were hopeful before the talks that the EC would have offered better conditions for the extended agreement. But the EC negotiating team said that they received a mandate from the EC Council to offer only the same conditions.

The EC offered a quota for Thai textile exports with an annual growth rate of up to 6 per cent.

Asean recently agreed to extend the bilateral agreement with the EC for one year, while the Community proposed extending the agreement for another two years.

Thai textile and garment exports to the Community last year were worth Bt [baht] 22.39 billion, from a total of Bt150 billion Thai exports to the EC.

Asked whether a lack of quota agreement would harm Thai exports, Chare said, "If we can manage our export volume in each category efficiently, Thai exporters might be able to boost their export volume in textiles.

"The EC cannot easily slap protective measure on Thai textile exports without giving appropriate reasons," he added.

The Commerce Ministry is expecting another round of talks on the bilateral agreement with the EC soon.

"Thailand might seek a new agreement on textiles with the EC, which could bring better condition for Thailand," he said.

The EC is calling talks with its trading partners on the extension of textile agreements. Thailand was the third country to hold talks with the EC, following Hong Kong and China.

Hong Kong agreed to extend its textile agreement with the Community while China declined to extend its agreement on the grounds that the EC's conditions appeared to limit Chinese textile exports to the EC.

The Philippines, Malaysia, Singapore and Indonesia are queuing up for talks with the EC delegates in Brussels. Chare predicted that the Community will find it difficult to extend bilateral textile agreement with other Asean countries after it failed to narrow its differences with Thailand.

"Thailand has been giving the biggest concession to the Community over the bilateral textile agreement compared to any other country," he said.

Last year, Thailand extended the agreement with the EC, but it is due to expire at the end of this year.

The Geneva-based General Agreement on Tariffs and Trade (Gatt) negotiations agreed to temporarily extend the Multi-Fibre Arrangement (MFA), pending a Uruguay Round settlement.

Australian Deputy Prime Minister Arrives 13 Nov

BK1411020392 Bangkok THE NATION in English 14 Nov 92 p A4

[Text] Australian Deputy Prime Minister Brian Howe arrived in Thailand yesterday for a three-day visit.

He is the most senior Australian minister pay a visit to Thailand since the September elections.

Howe will meet Prime Minister Chuan Likphai and other ministers, and visit Thailand's biggest slum Klong Toey, to see the work of the Duang Phratip Foundation.

Howe, who is also minister of health, housing and community services, will go to Chiang Mai to present a grant of Bt [baht] 258,000 to the McKean Foundation.

The funding is part of the nearly Bt524 million Australia has allocated for aid programmes to Thailand this year.

Further on Karen 'Cultist' Attack on Border Post

Interior Minister Comments

BK1411023392 Bangkok THE NATION in English 14 Nov 92 p A1

[Text] Interior Minister Chawalit Yongchaiyut yesterday discounted theory that the attack on a Border Patrol Police [BPP] outpost in Tak on Tuesday was motivated solely by an urge to preach a new religious cult, saying he believed it was the result of local conflicts.

Gen Chawalit said the preliminary report submitted to him by the Police Department appeared "suspicious" and urged investigators to persist in finding out the cause of the raid in which five border patrolmen and six Karen assailants were killed.

"If spreading religious belief was the sole reason behind the attack, why hadn't this happened long ago?" Chawalit said.

The Police Department said the Karen guerrillas, followers of a militarist religious cult whose members claim to possess supernatural powers of endurance, raided the border police outpost to impress non-believers.

Many government officials, border patrol police and military officers in border provinces have been known to be involved in black marketeering and other shady cross-border activities.

A regional border police commander has said he suspected that the ban on hunting in nearby forest reserves enforced by forestry officials and border police could be one of the reasons behind the attack.

Chawalit said he had instructed border patrol polioe to do whatever was necessary to arrest the Karen guerrillas.

Meanwhile, border patrol police units which on Thursday claimed to be hot on the heels of the fleeing Karen guerrillas reported that many civilian Karennis had been left behind along the jungle trail between Tak's Umphang district and Kanchanaburi's Sangkhlaburi district.

But there was no word as to whether they did catch up with or were still trailing behind the Karennis, who were said to be heading toward Burma by way of Sangkhlaburi.

Border Patrol Police, who had standing orders shoot if they ran into resistance, said the guerrillas had taken with them more than 100 women and children whom police feared might be used as human shields. Most of the civilians are members of guerrilla families who volunteered to go with them for fear of reprisal by police.

According to police intelligence, the armed guerrillas are Karen ethnics led by a former local commanda of the Communist Party of Thailand, Thi Liang Eng, who had established himself as the leader of the mystical cult. It

said Ti wanted to unite Karennis on both side of the Thai-Burmese border to fight for an independent Karen homeland.

'Cultists' Offer To Surrender

BK1611022592 Bangkok BANGKOK POST in English 16 Nov 92 p 3

[Text] Umphang, Tak—The Karen cultists responsible for killing five Border Patrol policemen in an attack on their outpost here last week offered to surrender yesterday.

The cultists sent a representative to meet with BPP [Border Patrol Police] unit commander Pol Maj Phaisan Suphwasi at the outpost at Ban Mae Chan Tha yesterday.

The Karen representative also returned nine assault rifles taken from the BPP outpost after the attack.

The representative also informed Pol Maj Phaisan that the Karens allegedly planned to surrender to the BPP in order to stand trial in court for crime.

The news of the cultists' plan to surrender came as Prime Minister Chuan Likphai visited Ban Mae Chan Tha to give monetary aid to the families of the five BPP men who were slain in the attack.

BPP sources said the Karen cultists have been hiding in a jungle area near Tambon Mae Chan which is located near the attack site.

A large number of BPP men have been sent into Mae Chan Tha to track down the cultists responsible for the attack on the BPP unit.

BPP Arrests 21 Karens for Attack

BK1711015392 Bangkok THE NATION in English 17 Nov 92 p A1

[Text] Border Patrol Police [BPP] have rounded up 21 suspected Karen guerrillas in connection with the attack on a police outpost last week in which five patrolmen were killed.

BPP Deputy Commander Pol Maj Gen [Police Major General] Sarot Panya said the guerrillas were arrested yesterday, three days after police surrounded their hideout in forest near Chong Pae village in Tak's Umphang district.

However, BPP forces had yet to locate about 14 other Karens, including their leader who was identified as Kaphai and who allegedly ordered the attack on the outpost last Tuesday.

Sarot said the remaining guerrillas, led by Kaphai, were still inside Thailand. They were trying to flee across the border into Burma through neighbouring Kanchanaburi's Sangkha Buri district, but border patrols were blocking all escape routes.

Sarot said the arrested guerrillas had on Sunday returned the weapons they took from the BPP outpost, and had then surrendered yesterday.

He said inquiries had ascertained that last Tuesday's predawn attack was the result of a conflict between the Karens and patrolmen at the outpost.

The Police Department earlier blamed the attack on the "Ariya" religious cult which spokesmen said was led by a hermit named Thi Liang Eng, whose followers claim to possess supernatural endurance.

But Sarot said Thi had died of unknown causes two months ago. Kaphai was one of his followers.

The conflict between the slain patrolmen and Kaphai's group had been instigated by another Karen group, he said.

The Karens usually needed the patrolmen's help to buy food and medicine, he said, and it was possible the BPP would break off ties with Kaphai's group as a result of the attack.

Thai-Burmese Border Committee Meeting Opens

BK1711150692 Bangkok Radio Thailand Network in Thai 1200 GMT 17 Nov 92

[Text] The seventh meeting of the Regional Thai-Burmese Border Committee was held at Chiang Mai Hill Hotel in Chiang Mai Province today. Lieutenant General Yingyot Chotphimai, 3d Army region commander; and Major General Maung Aye, Burmese eastern regional commander, jointly chaired the meeting. During the meeting, they discussed some prolonged problems, such as the problems concerning minority groups, illegal arms smuggling, and the opening of permanent border passes.

Lt. Gen. Yingyot told reporters after the meeting that today's meeting had reiterated our mutual agreement for cooperation in solving problems and removing existing suspicions against each other, especially regarding the opening of permanent border passes and illegal arms smuggling along the border. The meeting was considered successful at a certain level. The Burmese side had agreed in princple with the Thai proposal on opening a permanent border pass at Mai Sai District of Chiang Rai Province. Thailand and Burma have not opened any permanent border pass before. The Burmese side asked Thailand to collect the details of the issue for forwarding to the Burmese Government for consideration before the opening of the permanent border pass in the near future. However, he expected that the Burmese side would have no objection since it will also greatly benefit the Burmese economy.

Border Meeting Reaches 'Deadlock'

BK1811021992 Bangkok BANGKOK POST in English 18 Nov 92 p 8

[Text] Chiang Mai—The meeting of the Regional Thai-Burmese Border Committee ran into a deadlock yesterday but not as expected over the ownership of Hill 491—but over the way to clarify the issue publicly.

A source said it seemed the Thai military delegation was ready to give in to Burma's demands that the hill was in Burmese territory as long as Rangoon let the issue die down quietly. But the Burmese delegation wanted Thailand to publicly acknowledge it through an official announcement.

"We have been ordered to solve this problem as soon as possible. We had planned to set up a working team and make an inspection tour of the area before today," the source, who asked not to be identified, said.

It was later disclosed that Rangoon had never recognised Thailand's ownership of Hill 491, another senior official said.

Thai military authorities had insisted that Hill 491, which has been occupied by Burmese soldiers since February this year is part of Tha Sae District of Chumphon.

Thai military authorities are still hopeful a compromise can be reached before the meeting ends today.

Earlier yesterday, Third Army Commander Lt Gen Yingyot Chotphimai confidently confirmed that the two delegations would be able to solve the border problems in a friendly atmosphere. "Both sides are seeking to set up a working team, comprising concerned officials, to tackle some technical problems," he said.

But things did not work out as well as he had expected.

Lt Gen Yingyot said Burmese forces had withdrawn from Hill 644 in Mae Hong Son before the meeting and "there are no problems in that area any longer".

But another senior military official said some Burmese troops were still present at Hill 644. The Third Army Region Commander was not available for comment.

Yesterday's agenda also included the opening of an official border checkpoint in Chiang Rai, the problem of illegal entry by Burmese citizens and the smuggling of weapons along the border.

No progress was recorded on any of these issues.

It was reported that the Burmese delegation was reluctant to decide on whether to make the existing border checkpoint permanent, according to Chiang Rai Governor Khamron Boonchot.

"They agree in principle, but they have asked for more time to study the issue," he said.

Burmese authorities led by Maj-Gen Maung Aye, were yesterday said to have expressed their appreciation of the Thai Government's policy to return illegal Burmese migrants.

Meanwhile, the Third Region Provincial Police has set up a 13-man committee to investigate the 21 Karen cultists who were arrested in Mae Sot Tak province on Monday for allegedly killing five Border Patrol policemen in an attack at their border outpost in Umphang District on November 9.

The committee will be headed by Third Region Provincial Police Deputy Commissioner Maj-Gen Aram Chanphen.

The 21 suspects were yesterday separated into two groups and were sent to Mae Sot District and Mae Ramat District police stations for detention.

Aviation Service Agreement Reached With DPRK

BK1811011092 Bangkok Radio Thailand Network in English 0000 GMT 18 Nov 92

[Text] Thailand and the Democratic People's Republic of Korea have established aviation service ties between the two countries for the first time in their history. Both countries signed the memorandum of understanding on the issue in August this year. The cabinet early this month entrusted the Ministry of Foreign Affairs to sign the air service agreement and exchange diplomatic notes with North Korea.

The cabinet heard a report saying that although Thai Airways International had no plan to open a new route to North Korea for the time being, the accord will pave ways for air service cooperation between the two countries in the future. In addition, Thailand's aviation network will be expanded with North Korean flight to the country. This will be in line with the government's policy of developing Thailand as an aviation hub in this region. The plan will also contribute to Thailand's tourism industry. Under the agreement, both countries will initially operate two flights a week to each other's country.

Chuan 'Noncommittal' on UN Sanctions Against KR

BK1711020992 Bangkok THE NATION in English 17 Nov 92 p A3

[Text] Prime Minister Chuan Leekpai yesterday was noncommittal on whether Thailand would comply with expected UN sanctions against the Khmer Rouge [KR].

Thailand is not directly involved in the issue. The Cambodians are the principal players," he said.

The UN Security Council had given the Khmer Rouge until Sunday to begin cooperating with UN peacekeepers who are trying to disarm them and hold a general election or face economic sanctions.

Thai authorities said last week Thailand would go along with any UN resolution as long as it complied with Thai law.

"I don't want to create any confusion with my comments," Chuan said when asked about the pending UN action.

Chuan also indirectly endorsed Foreign Minister Prasong Sunsiri's statement last week that UN peacekeeping forces would not be allowed to set up base on Thai soil if renewed fighting in Cambodia forced them to relocate.

"The foreign minister has made it clear on what it would mean to Thailand's territorial sovereignty," Chuan said.

Senior German politician Otto Graf Lambsdorff met Chuan yesterday. Prior to the scheduled meeting, Lambsdorff who is a member of the German parliament, said Thailand and Germany should propose the setting up of an international committee to monitor elections in Cambodia, scheduled for May 1993.

The proposed committee will have to watch closely events leading to the elections to ensure a 'free and fair' process to restore peace in the war-torn country. In 1954, a so-called international control committee was tasked with monitoring the first Cambodian election.

Government Urged To Cooperate With UNTAC

BK1811032392 Bangkok THE NATION in English 18 Nov 92 p A6

[Editorial: "Thailand Is Painting Itself Into a Corner"]

[Text] Sooner or later the Chuan administration will have to decide whether Thailand will cooperate with the UN Security Council in the implementation of the Paris peace accords in Cambodia or go its own way and help the Khmer Rouge disrupt the peace process.

Many Thai policy makers may feel that Thailand's current stance of appeasing the Khmer Rouge is most "practical and realistic" as far as Thai national interests are concerned. But they cannot expect the world community to take it lightly if Thailand continues to condone trading with the Khmer Rouge and defending leaders of the radical Cambodian faction from criticism of their genocidal past.

The Paris accords were aimed at involving all the four major warring factions in free and fair general elections next year. If the Khmer Rouge wants to drag its feet, and demand expulsion of all Vietnamese troops allegedly disguised as Vietnamese settlers in Cambodia before it disarms and complies with the Peace accords, then it must address its grievances to Untac [United Nations Transitional Authority in Cambodia] as well as Indonesia and France, whose foreign ministers co-chaired the Paris peace conference of October 1991.

It is unwise for Thailand to show sympathy for the Khmer Rouge and try to urge Untac to listen to the recalcitrant faction. What will it be able to say if Phnom Penh counters by reviving the demand that all Khmer Rouge leaders, who were responsible for genocidal-scale killings in Cambodia during their reign of terror in 1975-78, be put on trial? Can Thailand continue to shelter these Khmer Rouge leaders, provide them with first-class medical care and hotel accommodation, and ignore the call to bring them to justice?

It is too late now for the Khmer Rouge to make an issue out of the presence of a large number of Vietnamese settlers—whom Untac and most independent observers believe are not disguised Vietnamese troops, but economic migrants cashing in on the booming Cambodian economy. Even Vietnamese beggars know they can make much more by panhandling on the streets of Phnom Penh than in Ho Chi Minh City.

On Monday, UN Secretary-General Butrus Butrus-Ghali publicly dismissed as untrue the Khmer Rouge's claim of the secret presence of Vietnamese troops in Cambodia. But he also called for tighter border controls to stop the influx of Vietnamese from southern Vietnam.

The UN chief also wants Untac to set up border checkpoints to curb the Khmer Rouge's highly lucrative trade with Thailand in order to convince its leaders to stop dragging their feet and rejoin the peace process. At the same time France is lobbying the other four permanent members of the UN Security Council (the United States, Britain, China and Russia) to support a resolution threatening the Khmer Rouge with economic sanctions if it continues to defy Untac and obstruct international efforts in implementing the peace accords.

The UN Security Council cannot tolerate the Khmer Rouge's attempt to hold "hostage" the peace efforts in Cambodia. The faction's leaders may be expert guerrilla warfare tacticians, excelling in the fight against stronger foes. But this time they must back down or face biting sanctions. The UN Security Council must show it is determined to implement the peace accords. Giving in to the Khmer Rouge or giving up the hope to restore peace in Cambodia in the face of the Khmer Rouge's intransigence will hurt the UN Security Council's credibility and undermine its role in settling regional conflicts elsewhere.

The Chuan administration stands to earn a great deal of appreciation and respect from the UN Security Council if it cooperates with Untac more actively. But so far both Premier Chuan Likphai and Foreign Minister Prasong Sunsiri have been noncommittal on whether or not Thailand will support the UN sanctions against the hard-line Cambodian communists. This is the wrong signal to send at a time when Thailand is still trying to rebuild its international reputation as a democratic, peace-loving country.

True, UN sanctions may give the Khmer Rouge leaders the exact excuse they have been looking for to "justify" their violations of the peace accords. And if the Khmer Rouge pulls out of the peace process altogether, Phnom

Penh may not want to stay with the peace process either. The two sides then may resume fighting for control of territory and people—and the situation will be back to square one.

In that case it is better for Thailand to stay with the UN. At least it would then not be singled out for any blame. But backing the Khmer Rouge now will only prolong the current deadlock and might eventually lead to a collapse of the entire peace process. Then Thailand will be left alone to cope with the Khmer Rouge resuming its war of attrition with the Phnom Penh faction.

When tens of thousands of despairing Cambodians start flooding back into Thailand to escape the fighting. Bangkok will also be left alone to deal with the costly problem of accommodating them.

Will those traders and politicians doing business with the Khmer Rouge donate some of their profits to feeding and sheltering these refugees? Not likely. They will say it is an "international problem" requiring an international solution and UN assistance.

Prasong: 'No Policy' To Pressure Khmer Rouge

BK1811071292 Bangkok Radio Thailand Network in Thai 0530 GMT 18 Nov 92

[Text] Foreign Minister Squadron Leader Prasong Sunsiri said he had not yet received any more information about the situation along the Thai-Cambodian border following the UN request for the Thai Government to close the border with Cambodia. As for the entrepreneurs who are doing business along the border, the foreign minister advised that they should use their own judgment to decide themselves to withdraw or not. He said the government has no policy to impose any pressure on the Khmer Rouge. He said:

[Begin Prasong recording] The entrepreneurs will have to use their own judgment to decide what action should be taken in line with the current situation inside Cambodia. I cannot tell them what to do because I myself have not yet seen the resolution. However, we must be prepared cope with such an eventuality. [end recording]

Commerce Minister Urges Compromise on Bills

BK1711022592 Bangkok THE NATION in English 17 Nov 92 p A1, A2

[Text] Commerce Minister and Solidarity leader Uthai Phimchaichon, warning that the conflict over the election of provincial governors could tear the government apart, yesterday urged the coalition partners to compromise by proposing separate bills on the decentralization of power.

The Phalang Tham and Solidarity parties want governors to be elected in those major provinces which they insist are ready for wide ranging administrative reforms. But the Democrat and New Aspiration parties want gradual reform, beginning with the lower levels of the provincial administrative structure.

They want decentralization to begin with the election of the chairmen of the provincial administrative organizations—in effect consultative bodies coordinating the work of the Interior Ministry and other agencies. The chairs of these bodies are currently filled by provincial governors.

"Now everybody is going his own way, and if nobody refuses to budge at breaking point, (the coalition) will fall apart," Uthai warned during a seminar on the issue at Sukhothai Thammathirat University.

"But, if they consult each other, understand each other and try to work out a compromise ... there shouldn't be any problem."

Uthai said he would raise the issue in the Cabinet soon. Coalition partners have mostly argued their cases through the media, while the Cabinet has hardly discussed the matter.

Uthai suggested that Phalang Tham and Solidarity go ahead with their plan to submit a bill on provincial gubernatorial elections while the Democrat and New Aspiration parties propose another bill on provincial administrative organization elections.

If the bills are passed by the Parliament, it will then be up to to Cabinet to decide which provinces a most ready for the changes, Uthai said. Royal decrees then will be issued on case by case basis to allow the election of a provincial governor or a provincial administrative organization chairman, he added.

The Phalang Tham resolved last week to submit a bill on provincial gubernatorial elections. The bill, because of its financial implications, needs to be endorsed by the prime minister.

PM's [Prime Minister's] Office Minister Chinnawut Sunthonsima, Phalang Tham's secretary-general, said yesterday if the prime minister rejected his party's bill, "it will be over".

Chinnawut said since his party would propose the bill on its own, there was no need to have the bill scrutinized by government whips.

Phalang Tham's concerted effort to introduce provincial governor elections has threatened the coalition's unity, with Deputy Interior Minister Suthat Ngoenmuen of the Democrat Party warning yesterday that coalition partners should have "political etiquette".

"Government whips are a coordination mechanism of the coalition government. If coalition partners take government whips for granted, that is tantamount to disrespect for political etiquette," Suthat said.

However, the Democrat Party admitted yesterday its own policy platform also calls for the election of provincial governors.

During a press interview at Government House, reporters confronted Prime Minister and Democrat leader Chuan Likphai with his party's election campaign pamphlets which state that the Democrats want to hold gubernatorial elections in five provinces within five years.

Chuan reiterated his stand that the issue required more study and urged the public to be "patient".

He noted that the Interior Ministry was studying the issue and the Cabinet can fully debate the matter when the study is completed.

Generals Seek To Form Political Party

BK1711015992 Bangkok THE NATION in English 17 Nov 92 pA2

[Text] The generals involved in the May bloodshed apparently believe the best way to restore their lost image—wrecked by their earlier attempts to grab political power—is to re-enter the political arena by more traditional means.

Several generals who graduated at the same time as former prime minister Gen Suchinda Khraprayun, former Army chief Gen Itsaraphong Nunphakdi and ex-supreme commander ACM Kaset Rotchananin—who are held responsible for the bloodletting—intend setting up a new party to help them get back into politics, according to a close friend of Suchinda.

"I expect such a party will be formed late next year or in 1994," Territorial Defence Commander Lt Gen Yutthaphan Makaramani said yesterday.

"First we have to wait until the present political conflict is properly settled."

Yutthaphan said the generals, who all graduated in 1958, met now and then and had discussed setting up their own party.

"We often meet in social parties or play golf together," Yutthaphan said.

He believed that playing politics was a good way to restore "our fame and pride".

Yutthaphan said many Class Five military officials met again on Sunday at a wedding reception in a Bangkok hotel.

It was also attended by Suchinda and Kaset.

Yutthaphan said Suchinda was greeted as a "political party leader" to the laughter and cheers of his friends.

Navy Plans To Purchase Six New Helicopters

BK1811041992 Bangkok THE NATION in English 18 Nov 92 p A1

[Text] Prime Minister Chuan Likphai has approved the purchase of six Navy helicopters under a five-year budget commitment of Bt3.6 billion, a well-informed source said yesterday.

The source said Chuan approved the purchase on Monday after the Budget Bureau, the Finance Ministry and the Cabinet Secretariat had earlier endorsed the Navy's request.

The three agencies agreed that the purchase should be approved because the Navy had earlier been granted Bt7 billion to buy a helicopter carrier.

The Cabinet yesterday was informed about the helicopter purchase, which was the first major arms deal during the Chuan Government.

The Navy will allocate Bt150 million from its 1993 fiscal year budget for the purchase and the remaining Bt3.45 billion will come from the Navy's budget for 1994 to 1997, according to the source.

He said the Navy wanted to use the six helicopters for rescue operations in addition to security purposes.

The source said none of the helicopters currently used by the Navy was capable of bracing strong winds in some rescue operations.

He said the six helicopters would be medium-sized, like the Sea King or Sea Hawk types, and would cost about Bt600 million each.

The source said the helicopter carrier would be capable of carrying up to 14 helicopters but the Navy would have to wait awhile before acquiring the full force.

Vietnam

U.S. Senatorial Delegation Continues Activities

Vo Van Kiet Meets Senators

BK1811015192 Bangkok BANGKOK POST in English 18 Nov 92 p 13

[Text] Hanoi—The United States and Vietnam could normalise relations while working together to solve remaining questions, Vietnamese Prime Minister Vo Van Kiet said here yesterday.

The prime minister was speaking to reporters after meeting with the visiting delegation of US Select Committee on POW-MIA Affairs headed by Senator John Kerry.

Today Senator Kerry will deliver out-going US President George Bush's letter to Vietnamese President Le Duc

Anh, which Prime Minister Kiet said was the first letter ever from a US president to Vietnam since the end of the Vietnam war in 1975.

The American delegation is also seeking the Vietnamese government's approval to install satellite communications to speed up transmission of information gathered here to establish cases of American servicemen believed Missing In Action.

It was in March this year that Vietnam started releasing information and documents gathered from regional locations and now centralised in Hanoi's Army Museum, and last month began providing US experts with those archives.

Prime Minister Kiet said that Vietnam will try to respond to the US requests in order to resolve all aspects of the MIA issue.

Two other members of the committee which is touring Indochina to conclude its reports on the issue before the deadline set for January 9, 1993, are Senators Tom Daschle and Hank Brown.

Besides the search and accounting, joint efforts are under way to "try to achieve more credibility with the sceptics," by bringing in families who have serious doubts to have their questions answered first hand in Vietnam, said Senator Kerry.

He praised the openness and cooperation of Vietnam.

"An awful lot of Americans are not accepting the reality here, and I think it's very important for the people to a proper notion [as published] of what's really going on," he said.

The team also held talks yesterday with Vietnamese Foreign Minister Nguyen Manh Cam.

"We are not here to talk about normalisation. Normalisation is the decision that lies in the hands of the US President. We are here to measure progress for the accounting, which is the last measuring point on the road-map towards normalisation," Senator Kerry told Mr Cam.

Senator Kerry, himself a Vietnam War veteran, pressed for prompt investigation into live-sighting reports, extension of archival research activities, documents and repatriation of remains held by private citizens in Vietnam.

Reaffirming that there is no American prisoner of war alive in Vietnam, Mr Cam said Vietnam has over the past few months probed live-sighting reports, "but the 41 cases we looked into turned out to be fake."

"And as far as discrepancy cases are concerned, we have intensified our efforts in this area and have resolved 118 of the 135 cases," the Foreign Minister said.

Vietnam will also continue helping repatriate remains, and so far 48 sets have been found with four repatriations conducted.

Gen Thomas Needham, who heads the US military task force for full accounting, said progress has been steady since he took up the post in January, with a marked increase of the information turned over to the US over the past 6-8 weeks.

"We are hoping to work with the Vietnamese Government to get a final agreement on how to get that information to Washington in near real-time," he said, referring to the approval for the installation of satellite facilities.

Until now, the information gathered from Hanoi has been handcarried to Washington and Hawaii where the databanks of the MIA affairs are located, according to US Air Force Maj Roger Overturf, a public affairs officer from the task force.

Next month, a second team of US experts will begin working at Danang's army museum in central Vietnam, and a third will be based in Ho Chi Minh City early in February, said Gen Needham.

President Le Duc Anh Meets Senators

BK1811144592 Hanoi VNA in English 1423 GMT 18 Nov 92

[All punctuation as received]

[Text] Hanoi VNA November 18—A delegation of the US Senate Select Committee on MIA/POW issue led by its chairman Senator John Kerry arrived here on Nov. 16 for a five-day visit to Vietnam.

Senator John Kerry is accompanied by Senators Thomas Daschle and Hank Brown and other members of the committee.

The US delegation was received here today by President Le Duc Anh.

Talking to his guests, the Vietnamese leader re-affirmed Vietnam's consistent policy which considers the American missing in action (MIA) issue purely humanitarian. In that spirit, he said, Vietnam has been cooperating with the United States, implementing the recent agreements between the two governments, and he wished that the two sides actively cooperate with each other to solve this issue soon thus, helping releasing the suffering of the MIA families. He said that the early normalization of the two countries' relations conforms to the interests of the two peoples, and of peace, stability and development in the region and the world over.

The US senators, for their parts, highly appreciated the cooperation of the Vietnamese Government and people in solving the MIA issue. They also expressed their wish for the continued Vietnamese cooperation with the US to solve the issue as soon as possible.

Senator Kerry handed President Le Duc Anh a letter from US President George Bush who highly appreciates the cooperation of the Vietnamese Government and people over the past period, and who expresses his wish to promote the cooperation in the coming time and affirms the US Government's commitment to accelerate the normalization process of the two countries' relations.

President Le Duc Anh asked Senator John Kerry to convey his thanks to President Bush, and said that Vietnam highly appreciated the recent cooperation and progress in solving the humanitarian issue over which both Vietnam and the US have common concern, and in normalizing the relations between the two countries.

On November 17, the delegation was received by Prime Minister Vo Van Kiet, who assured his guests that the Vietnamese Government and people will cooperate with the US Government and people is solving this humanitarian issue.

Prime Minister Kiet recommended that both sides should show their positive attitude, look forward, and help each other in solving humanitarian issuss. This is a decisive factor for the development of the relations between the two countries, he said.

While here, the US delegation had working sessions with Foreign Minister Nguyen Manh Cam, Deputy Minister Le Mai the Vietnam office for the search of missing soldiers and the Army Museum. The US officials held that those working sessions were useful and that the Vietnamese side had shown its cooperative and constructive attitude which made them believe that in the coming time the two sides will make further progress in solving the MIA issue.

This morning, the US delegation paid a tribute to the late President Ho Chi Minh at his mausoleum and visited his residence and office.

Radio Comments on Visit

BK1811124192 Hanoi Voice of Vietnam in English 1000 GMT 16 Nov 92

[Station commentary]

[Text] Senator John Kerry, chairman of the U.S. Senate's Select Committee on POW/MIA issues arrived in Hanoi on Monday, 16 November. He said his committee will evaluate the cooperation committed by Vietnam in the search for American soldiers reported as missing in the Vietnam War. Here is our comment on the issue:

This is the second visit by Senator John Kerry to Vietnam within the last six months. In his first trip in late April, Mr. John Kerry acknowledged Vietnam's positive cooperation in solving the MIA issue and affirmed that there were no evidences to prove that Vietnam is detaining American prisoners or keeping any live Americans reported as missing in action in Vietnam.

Last month, U.S. President Special Envoy General John Vessey also visited Vietnam. On this occasion, Vietnamese leaders pledged to provide information concerning the MIAs for Vietnamese and U.S. specialists for processing and research, and [words indistinct] in solving this issue. Visiting Vietnam this time, Senator John Kerry wishes to see Vietnam's commitment more clearly.

He will certainly fulfill his wishes because Vietnam has always matched its words with concrete deeds. Moreover, so far, Vietnam has adopted a positive attitude toward solving the MIA issue. Most recently, Vietnam has provided the U.S. side with photos and dossiers concerning the American GIs reported missing in the Vietnam war. (?U.S. specialists) responsible for the task of cooperating with Vietnam to process this information pointed out that this recent cooperation is of great significance to them. In fact, the U.S. has been encouraged by this act.

Cooperation on MIA/POW Issue Reviewed

BK1811140492 Hanoi Voice of Vietnam in English 1000 GMT 18 Nov 92

["Station review" of Vietnam-U.S. cooperation on MIA/POW issue]

[Text] Chairman of the U.S. Senate Select Committee on MIA/POW, Senator John Kerry, is leading a delegation on a working visit to Vietnam. Here is our review on Vietnam's activities in cooperation with the U.S. in solving the MIA and other humanitarian issues.

Since 1974, Vietnam has handed over to the U.S. some 500 sets of remains of American servicemen missing in Vietnam. Since 1978, Vietnam has unilaterally conducted many searches on the MIA issue. Besides the excavation and identification of the remains of American servicemen, right now, Vietnam has collected information and documents concerning MIAs and allows the U.S. side to prove such information. In October 1991, Vietnam and the United States set up a joint committee to study documents concerning the MIA. By now, this joint committee has obtained encouraging results.

Having worked with the Army Museum, Senator John Kerry and Senator Tom Daschle, a member of the U.S. delegation, have this to say on Vietnam's cooperation:

[Begin recording] [Sen. Kerry] Vietnam's cooperation since last year has been significantly increased. We think that there is a great deal of cooperation today which is going to be very helpful in bringing our countries close together, and in providing the answer we need for the POW/MIA. Senator Daschle.

[Sen. Daschle] I agree with that. We have been very pleased with two things. Firstly, the cooperation and, secondly, the kind of materials and information we

received actually produce the results of their cooperation. So, this is a new chapter, new steps in a long process that we got very encouraged.

[Sen. Kerry] Senator Hank Brown, do you want to say anything, the issue with their cooperation?

[Sen Brown] Yes, I think we (?talked) earlier. I would simply second the remarks that have been made. [end recording]

That was our review on Vietnam's activities in cooperation with the U.S. in solving the MIA and other humanitarian issues.

Quarantine Agreement Signed With China

BK1611074192 Hanoi VNA in English 0618 GMT 16 Nov 92

[Text] Hanoi VNA November 15—An agreeement on quarantine across the border betwen Vietnam and China has seen signed here by Le Ngoc Trong and Sun Longchun, vice ministers of public health of Vietnam and China, respectively.

Sun Longchun headed a delegation of the Chinese Ministry of Public Health on a visit to Vietnam on Nov. 8-13 at the invitation of the Vietnamese Ministry of Public Health.

While here it was received by Minister of Public Health Froo. Nguyen Trong Nhan.

The Chinese delegation paid a tribute to President Ho Chi Minh at his mausoleum and toured a number of public health establishments in Hanoi and Ho Chi Minh City.

Vo Van Kiet Meets Japanese Aid Officials

BK1611071892 Hanoi VNA in English 0559 GMT 16 Nov 92

[Text] Hanoi VNA Nov. 16—A delegation of Japan's Overseas Economic Cooperation Fund (OECF) led by its president, Mr Akira Nishigaki, has come to Vietnam on a working visit.

The Japanese guests, who arrived on Friday last week, were received by Deputy Minister of Finance Phan Van Trong. The two sides discussed Vietnam's needs for development capital for 1993, areas and projects of priority for development investment, Japan's capacity and mode for granting loans, and how loans should be used in socio-economic development in Vietnam.

On last Saturday afternoon, Mr Akira Nishigaki and his party paid a courtesy call on Prime Minister Vo Van Kiet. He told the prime minister of OECF's aim to give economic aid in the form of loan for socio-economic development in developing countries. Vietnam is one of the countries enjoying priority in getting loans and the amount of money just agreed upon between the two governments is the beginning, he said.

Mr. Nishigaki said that Vietnam has gained successes in applying its renovation policy, and that as Vietnam is on the way of development, its needs for development capital are fully justified. He said Japan would continue to discuss the matter with Vietnam and come to mutual agreement on the level of loans Vietnam would need for 1993. He expressed his hope that Japan's loans would be used satisfactorily to help Vietnam overcome the present difficulties and accelerate its economic growth.

For his part, Prime Minister Vo Van Kiet sincerely thanked the government and people of Japan for their financial assistance. He said the recent signing of a memorandum of understanding on Japan's development aid to Vietnam was a landmark of new development in Vietnam-Japan relationship. The financial assistance given by Japan and other friendly countries to Vietnam would help shorten the distance between Vietnam and other countries in the region.

"Vietnam highly appreciates and will use most efficiently all sources of aid given by Japan and other countries not only for the prosperity of Vietnam, but also for peace, stability, cooperation and development in the region", Mr Kiet asserted.

Japanese Decision To Resume Loans Welcomed

BK1811151692 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 14 Nov 92

[From the 14 November press review]

[Text] On the occasion of the Japanese Government's decision to resume loans to Vietnam after 14 years' suspension, the paper NHAN DAN today carries an article entitled: "A New Stage in the Relations of Cooperation Between Vietnam and Japan." The article says:

Of late, relations between Vietnam and Japan have undergone positive changes. This has been marked by the visits exchanged between the foreign ministers and high-ranking officials of the two countries. In their meetings, they all expressed a desire for better bilateral relations in numerous fields. Japan highly appraised the efforts and initial results in the renovation process of Vietnam. Japan also affirmed its support for Vietnam and expressed its willingness to cooperate with and assist Vietnam's economic development.

In general, however, bilateral relations still do not match existing potential and still have not satisfied the wishes of the peoples of the two countries. The fact that the Japanese Government has decided to resume official development assistance to Vietnam will step by step strengthen financial and monetary relations between the two countries, thus creating favorable conditions for encouraging Japanese private business circles to boldly invest in Vietnam.

This new step of development, on the one hand, manifests the determination and great efforts of each country to overcome the difficulties and stagnation in the recent

past and, on the other, requires that greater efforts be exerted by each side to optimally exploit the potential that has just been opened in the bilateral relations of cooperation on the basis of equality, mutual benefit, and respect for each other's sovereignty for the sake of peace, stability, cooperation, and development in Asia and the Pacific.

Defense Minister Receives Thai Crown Prince

BK1711144992 Hanoi VNA in English 1435 GMT 17 Nov 92

[Text] Hanoi VNA Nov. 17—Defence Minister General Doan Khue received here this afternoon Thai Crown Prince Wachiralongkon currently on an official visit to Vietnam.

With the defence minister were Lieutenant-General Tran Hanh, Deputy Chief-of-Staff of the Vietnam People's Army Senior-Lieutenant-General Nguyen Huu An, Director of the high-level military institute and a number of senior officers and officials of Vietnam and Thailand.

The same day, the Thai crown prince attended a practice drill of a unit of the Vietnam People's Army.

He paid tribute to President Ho Chi Minh at his mausoleum and visited his home and office. Prince Wachiralongkon later attended an art show at the Ba Dinh Conference Hall in his honour, called at the Hoa Binh hydro-electric power plant and some historical and cultural relics in Hanoi.

Hong Kong Economists Study Investment Potential

BK1711144192 Hanoi VNA in English 1403 GMT 17 Nov 92

[Text] Hanoi VNA Nov. 17—A Hong Kong economic mission, the largest ever from the territory, is visiting Vietnam with the purpose of, as explained by the mission leader, "learning more about the various government policies and giving an opportunity for businessmen from different sectors of the economy to see for themselves the scope for their investment in Vietnam".

The mission, led by Mrs. Anson Chan, secretary for economic services, comprises representatives of 21 leading companies interested in selling, buying or investment.

In Hanoi where it stayed from Wednesday to Saturday last week [11-14 November], the mission was received by Deputy Prime Minister Tran Duc Luong and had meetings with officials of the Ministries of Commerce, Light Industry, Finance, Transport and Communications as well as representatives of the State Committee for Cooperation and Investment, the State Planning Committee and the People's Committee.

"These contacts have given us a very good idea of the way in which the government is moving towards a free market economy," said Mrs. Chan during an interview with VIETNAM NEWS on Friday, before the mission's departure for Ho Chi Minh City.

Mrs. Chan said she greatly admired the Vietnamese Government for the stride it had already made in moving towards a market economy. "Your government seems to be doing very well in terms of bringing down your inflation rate and providing incentive for foreign investment".

One member of the mission said Hong Kong's trade with Vietnam was very good. He expected it to reach 1.1 billion U.S. dollars this year, accounting for 25 percent of Vietnam's total trade.

Deputy Foreign Minister Visits Australia

BK1711150192 Hanoi VNA in English 1447 GMT 17 Nov 92

[Text] Hanoi VNA Nov 17—Deputy Foreign Minister Vu Khoan visited Canberra on Nov. 16-17 where he met the Australian Ministry of Foreign Affairs, the Prime Minister's Office and the Ministry of Transport and Communications. He was [the] guest [of] the Australian Foreign Ministry.

The two sides expressed their satisfaction at the fine development of bilateral relations and discussed ways to further cooperation in various fields on the basis of understanding and trust, equality and mutual benefit.

Vu Khoan was received this morning by Australian Minister for Trade and Overseas Development John Kerin.

Earlier, he attended a workshop organized by the Asia-Pacific Development Centre on the development of the South Pacific islands and on cooperation in the Asia-Pacific region.

Do Muoi Visits Bac Thai Province

BK1711142592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 10 Nov 92

[Report on visit by party General Secretary Do Muoi to Bac Thai Province on 8 November—read by announcer]

[Summary] "On Sunday, 8 November, Comrade General Secretary Do Muoi paid a working visit to the standing body of the Bac Thai provincial party committee and toured a number of local economic establishments. He was accompanied by Comrade Dao Duy Tung, member of the Political Bureau and secretary of the party Central Committee; and Comrade Tran Lum, member of the party Central Committee and minister of heavy industry. The comrade general secretary was warmly welcomed on his arrival in Bac Thai Province by Comrade Nguyen Ngo Hai, member of the party Central

Committee and secretary of the provincial party committee; Comrade Mai Phuc Toan, chairman of the provincial people's committee;" and a large number of cadres and the local people.

At the Song Cong Diesel Engine Plant, the comrade general secretary was given a guided tour of various plant facilities. Addressing plant workers, the comrade general secretary said:

"I am not visiting your plant at random. There is a big issue at hand. That is, for a long time now our machinery sector has not been able to develop and has failed to meet requirements because of competition by foreign products. Now our electricity source has improved while various economic components, chiefly family economies, are growing. In various hilly areas in the Western Highlands and in Nam Bo region, water-generator motors—water pumps—are badly needed. It would be a mistake if you comrades fail to realize this fact. Therefore, the Song Cong Diesel Engine Plant should strive to be worthy of being one of our country's leading establishments in turning out machinery products.

"I commend the party organization and the contingent of competent workers and engineers of the plant for the great efforts they have made over the years and for having overcome difficulties in maintaining production. I hope that you comrades will strive to further improve your product quality and technological finesse while diversifying your range of products in order to meet the demands of the economy.

"Given recent production results, I believe that the plant is taking advantage of a good opportunity. You comrades should know how to grab this opportunity. The point is how to dominate the market. For you, the main market should be the domestic one. Your main purpose is not to export your goods but rather to struggle to have your products replace the imports. You should closely cooperate with peasants and production establishments in satisfactorily providing small-machine support services. Instead of having all manufactured products kept in storage, production plans should be based on demands of production establishments—namely, the consumers. I believe that you comrades will be able to do this."

The comrade general secretary urged plant workers to pay more attention to industrial and environmental sanitation.

Also on the morning of 8 November, Comrade Do Muoi visited the Thai Nguyen union of cast-iron and steel enterprises and its Gia Sang steel rolling plant. He was greeted on arrival by Duong Khanh Lam, director general of the union, who later briefed him on the union's production activities, saying that over the past nine months, the union has produced nearly 74,000 metric tons of steel rods—over 78 percent of the planned target—and has turned over to the state budget 10.5 billion dong. The union is conceiving a plan to enter into a joint venture with a number of companies in Singapore and China.

Addressing union workers, he said: "The comrade said instead of recycling scrap iron, the union should pay more attention to processing steel from mineral ores as required. He also expressed concern about import tariffs for construction steel, the question of capital depreciation, and electricity consumption fees."

The comrade general secretary spent the whole evening working with the Bac Thai provincial party committee. After he was briefed by Comrade Nguyen Ngo Hai, secretary of the provincial party committee, on various aspects of the province's socioeconomic life and its orientation for economic development, the comrade general secretary said:

"When it comes to drafting a plan for investment, we must discuss and carefully study that plan. We must also travel to each area, each village, and each district to exchange views with the local people. A decision should be made on the basis of a combination of views, experience, science, and technology. We cannot make a decision by just sitting in this office."

The comrade general secretary asked Comrade Nguyen Ngo Hai about the situation concerning the indoctrination of youths, and that of the internal activities of retired members of various party organizations. Dealing with the question of encouraging youths to join the party, he said: "To persuade youths to join the party, party members should take the lead in all areas of work. Party members should not be given favorable treatment while at work or in seeking bank loans for production and business."

Braving northeasterly monsoon winds, "the comrade secetary general visited Trung Thanh village of Pho Yen District. He asked the local people about their everyday lives, education for their children, and their housing conditions." He was very happy to learn that electricity has been channeled to the village and that 90 percent of the households have radios. Many families even own televisions and motorcycles.

"When Comrade Do Muoi asked if there are many villages like Trung Thanh in Pho Yen district, Comrades Nguyen Quang Huy and Nguyen Van Thanh, respectively people's committee chairman and party committee secretary of Pho Yen district, replied that a number of villages still encounter difficulties, especially those in remote areas near Tam Dao mountain, and some 20 percent of families in the district still suffer from hunger. The comrade general secretary urged those cadres, party members, and people present at the meeting to seek all available means to help these families, saying that this is the responsibility and practical manifestation of party building work at present. He said:

"In this visit, my only wish for the village and district is that they rid themselves completely of proverty and illiteracy. Uncle Ho said: It is necessary to oppose foreign aggression, poverty, and illiteracy. We must strive at all costs to follow that teaching of Uncle Ho."

Results of EC Reintegration Program Discussed

BK1311151592 Hanoi VNA in English 1456 GMT 13 Nov 92

[Text] Hanoi VNA Nov. 13—The office of the EC International Programme for the Integration of Vietnamese Returnees held a press conference in Ho Chi Minh City yesterday on the initial results of phase 2 of the programme.

By October 1992, the number of voluntary repatriates had totalled more than 30,000, and 1,417 more people will return in the coming time. At present, the flow of illegal emigration has almost ceased.

According to vice director of the programme On Tuan Bao, phase 2, the main phase of the programme, which began on June 1,1992, will last for 30 months at an estimated cost of 102 million ECU [European currency unit] (more than 130 million US dollars). The programme has been carried out in 18 provinces and cities in north, central and south Vietnam. It will provide repatriates with credits and job training, assist them in mini-projects on healthcare, information, water supply, job placement and development of small businesses. Since October this year, in Ho Chi Minh City where there are 2,604 returnees, the programme has lent 113,252 US dollars and found jobs for 455 people, half of them returnees. The programme has assisted six vocational training centres and provided financial aid to two mini projects in Ho Chi Minh City and the central costal Province of Phu Yen. In the last two months this year, the programme plans to extend credits to 600 borrowers, assist five training centres, and provide capital to six mini projects.

Directive on Government Program Studies Issued

BK1711051592 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 10 Nov 92

[From "Press Review" program]

[Text] All papers report on their front page that the government discussed measures to implement its program of action, which was presented to the First Session of the Ninth National Assembly by the prime minister, at its first meeting held on 16-17 October.

In order to strictly implement the government's planning, the prime minister issued a directive to ministers, chiefs of agencies, and people's committee chairmen of provinces and cities under the central government. The directive instructed them to perform some urgent tasks, including the organization of leading cadres and officials of government ministries and people's committees to study the content of the government program of action before planning programs of action for each ministry, agency, and people's committee. These programs of action should include tasks in the coming years and urgent work that needs to be accomplished before 1992 or first quarter of 1993.

Nuclear Energy Institute Sponsors Projects

BK1611113092 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 8 Nov 92

[Text] The (?Tai Hien) Industrial Institute of the National Nuclear Energy Institute is sponsoring four state-level scientific- technological projects under a nuclear research plan and a petrochemical and material processing plan. The three projects under the nuclear research plan have helped evaluate the initial results of experiments aimed at prospecting for uranium and rare earth deposits, as well as at assessing the effectiveness of technological devices in support of exploitation and processing, and henceforth, of the formulation of an exploration plan to serve national economic development. Thanks to the joint research conducted by the (?Tai Hien) Industrial Institute, the Vietnam Institute of Science, and the Polytechnic College, the petrochemical and material processing plan has begun to market four types of products—a cobalt-based coloring substance, an antirust paint for ships, a coloring substance for ceramicware production, and another coloring substance for use in (?metallurgy).

Through research work, the institute has successfully marketed a cobalt-based coloring substance currently being used by many ceramic ware production facilities in Bat Trang and Haiphong to produce top quality ceramic ware to meet export demands.

Government Meets on Socioeconomic Performance

BK1611094392 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 12 Nov 92

[Text] The government held a regular meeting from 10-12 November under the chairmanship of Prime Minister Vo Van Kiet to discuss a number of important projects.

The government heard a report on the implementation of the socioeconomic tasks for 1992 and on the socioeconomic development plan and state budget for 1993.

According to initial estimates, almost all the targets for socioeconomic development and state budget for 1992 approved by the National Assembly may be achieved or surpassed.

In 1992 the situation developed in a positive direction. The economy gradually adjusted to the new market system and started entering a position of stability and development. The government believed that these changes resulted from the renovation of the economic mechanism and the investment made over the past few years in the development of various resources. They also resulted from the dymamic and creative activities of various establishments, sectors, and localities, and from the great efforts of the government and the administration at all levels in operational management.

However, difficulties and weaknesses are still numerous—notably, social vices, unemployment, corruption,

smuggling, and other social problems; losses in state revenues, and a continued budget deficit. Changes in the social and cultural situation have not been commensurate with those in the economy, especially the poor performances in the reduction of population growth rate and the improvement of the living conditions of the people in the areas which has been made with exceptional difficulties. State law and orders have not been strict enough.

The government accepted all the responsibility for the poor performance in social management, including responsibility for its own performance and that of the administration at varous levels.

Entering 1993, our country will enjoy fundamental advantages, as our economy by that time will of necessity have passed a tough period and we will benefit from the trend of increased cooperation with foreign countries. Yet, difficulties will remain great, notably, acute difficulties in many areas of our poorly developed economy, which has yet to be free from crisis and which is noted for its acute shortage of capital at a time when there are complex developments in the world and regional situations.

To attain or surpass the targets for socioeconomic development by the end of the 1991-95 plan as advocated by the Seventh Party Congress and approved by the Eighth National Assembly, the government affirmed the importance of 1993, the year in which our countries will have to seize every opportunity available and strive harder to continue to retain the growth rate, maintain stability, and create a momentum for stronger development in the ensuing years.

The government carefully discussed the main tasks of the state plan and state budget for 1993, the fundamental socioeconomic development targets, the major economic balances, the state budget structure and balance, and the orientations for development of the key branches. It also discussed measures to be taken, especially those dealing with structural policies aimed at attracting domestic and foreign capital; the creation of a stable macroeconomic environment; the development and close management of investment activities in capital construction in order to create a momentum for development in the ensuing years; an increase in imports and exports along with an active renovation, purification, and the improvement of the efficiency of the state management apparatus.

The government delegated the prime minister with the duty of directing efforts to refine the abovementioned projects prior to submitting them to the National Assembly for consideration so the latter can decide on the 1993 state plan and budget at its year-end session.

At this meeting, the government heard the presentation of various projects on the continuation of education reforms, on population and family planning, and public health care to be submitted for approval at the next session of the party Central Committee.

The government believed that in view of the current situation, the issues are pressing and significant for creating a groundwork for long-term national development. The government also expressed its views on the targets for development of these areas of work in the new era and on various measures, especially those dealing with policies and with the organization of work implementation.

The government also discussed and adopted the program of legislation for 1993 and the draft amendments to the existing law on foreign investment—which are to be submitted to the National Assembly for consideration and decision—in order to improve the investment environment while ensuring law-abiding state management.

AFP Reports Hijacker's Trial Date Not Set

BK1411073892 Hong Kong AFP in English 0511 GMT 14 Nov 92

[Text] Hanoi, Nov 14 (AFP)—The official Vietnam News Agency (VNA) retracted Saturday a story saying that a man who hijacked a plane over Ho Chi Minh City in September was to have stood trial during the week.

The agency said that the story, which it picked up Wednesday from a Ho Chi Minh City newspaper, was "based on incorrect information."

No trial date was announced for the man, identified as Ly Tong, who forced a Vietnam Airlines Airbus with more than 100 passengers aboard to circle over Ho Chi Minh City for 30 minutes while he tossed out anti-communist leaflets.

The hijacker parachuted out and was captured on the ground, according to Vietnamese authorities. He is believed to still be held in Ho Chi Minh City jail. Overseas Vietnamese sources identified Ly Tong as a former South Vietnamese Air Force pilot who made a dramatic escape from Vietnam to the United States in the 1980s.

Do Muoi Attends Symposium on Party Building

BK1811102692 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 14 Nov 92

[Text] On 11 November in Hanoi, the party Central Committee Organization Department and the Ministry of Light Industry organized a symposium on party-building work for the comrade leaders in charge at the Ministry of Light Industry; party committee secretaries; and directors and directors general of general corporations, joint enterprises, corporations, and enterprises under the light industrial sector, which plays an important role in the national economy and which serves as a venue for the central level to provide guidance over the implementation of the party Central Committee's Third Plenum resolution.

Comrade General Secretary Do Muoi attended and personally exchanged views with the comrade leading

officials in charge of the various production facilities under the Ministry of Light Industry. Based on real life situations, the comrade general secretary stressed time and again the need to improve product quality, increase labor productivity, and practice thrift in order to reduce production costs, and henceforth, lower the retail prices of essential consumer products and meet the people's daily requirements.

Regarding party-building work at the grass-roots level and in the light industrial sector as a whole, the comrade general secretary stressed the need to clearly define the party's leadership role. Party committee echelons at all levels in the light industrial sector must include fully competent and knowledgeable comrades who are capable of contributing their wisdom to the management of production and business operations. All indications of a failure to attach due importance to the role of party organizations are at variance with the 1992 Constitution, the seventh party congress resolution, and the party Central Committee Third Plenum resolution.

The comrade general secretary concurred with the Ministry of Light Industry's request to set up the Party Affairs Committee at an early date based on the guidance provided by the party Central Committee Organization Department, to establish and put the Hanoi City Light Industrial Bloc Party Committee under the direct management of the Hanoi city party committee, and to conduct research work leading to the formation of party affairs committees at 11 general corporations and production unions based on the economic and technological duties defined by the Ministry of Light Industry.

Food Output To Reach 24 Million Tonnes in 1992

BK1311151992 Hanoi VNA in English 1505 GMT 13 Nov 92

[Text] Hanoi VNA Nov. 13—Vietnam is estimated to achieve a food output of 24 million tonnes in paddy equivalent, reports the General Department of Statistics.

Farmers throughout the country put 2.7 million ha under autumn rice, the third rice crop in the year, of which northern provinces achieved the plan of 1.3 million hectares, while southern provinces, 1.4 million hectares, or 98 percent of the plan.

Farmers in northern provinces has so far harvested two-thirds of the autumn rice acreage with yields varrying from 2.4 to 3.9 tonnes/ha. The country's autumn rice output is expected at 7.54 million tonnes, of which the north accounts for half.

The other two rice crops this year-one in winter-spring and the other in summer-autumn chalked up an output of 9.2 million and 4.8 million tonnes, respectively. Meanwhile subsidiary food output totalled 2.4 million tonnes in paddy equivalent.